

Bill No. 314  
2022

By-law No. A.-\_\_\_\_\_ -\_\_\_\_

A by-law to approve a Canada-Wide Early Learning and Child Care Funding Agreement Template and to authorize the Deputy City Manager, Social and Health Development or their written designate to approve and execute agreements using the Canada-Wide Early Learning and Child Care Funding Agreement Template.

WHEREAS subsection 5(3) of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 22 of the *Municipal Act, 2001* provides that a municipality may provide a system that it would otherwise not have power to provide within the municipality, if it does so in accordance with an agreement with the Province of Ontario under a program established and administered by the Province of Ontario;

AND WHEREAS under section 2 of Ontario Regulation 138/15 under the *Child Care and Early Years Act, 2014* ("CCEYA") The Corporation of the City of London is designated as the Consolidated Municipal Service Manager (CMSM) for the geographic service area of "City of London and County of Middlesex";

AND WHEREAS, in this By-law, a reference to "Service System Manager" means a Consolidated Municipal Service Manager (CMSM) designated as a Service System Manager as defined in the *Child Care and Early Years Act, 2014*;

AND WHEREAS the City and the Province of Ontario have entered into an Ontario Transfer Payment Agreement for the purposes of funding Ontario Child Care and EarlyON Child and Family Centres and the Canada-Wide Early Learning and Child Care Agreement;

AND WHEREAS section 23.1 of the *Municipal Act, 2001* enables a municipality to delegate certain powers and duties any Act, to a person or body, subject to restrictions set out in the *Municipal Act, 2001*;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Canada-Wide Early Learning and Child Care Funding Agreement Template, substantially in the form attached as Schedule "A" to this by-law, is hereby authorized and approved.
2. The Deputy City Manager Social and Health Development or their written designate is delegated the power to execute Funding Agreements based on the Template authorized and approved in section 1 of this by-law.
3. The Deputy City Manager Social and Health Development or their written designate is delegated the power to edit and amend the Attachments and add new Attachments to the Funding Agreement from time to time in accordance with Provincial Guidelines.

4. The authority of the Deputy City Manager Social and Health Development or their written designate to act under this by-law, is subject to the following:
- i. such actions are consistent with the requirements contained in the Funding Agreement approved in section 1 above;
  - ii. such actions are in accordance with all applicable legislation;
  - iii. such actions do not require additional funding or are provided for in the City's current budget; and,
  - iv. such actions do not increase the indebtedness or liabilities of The Corporation of the City of London.
4. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on August 2, 2022.

Ed Holder  
Mayor

Michael Schulthess  
City Clerk

## SCHEDULE A

### CANADA-WIDE EARLY LEARNING AND CHILD CARE FUNDING AGREEMENT

THIS IS A STANDARD FORM AGREEMENT – TERMS CANNOT BE ALTERED  
WITHOUT THE APPROVAL OF MUNICIPAL COUNCIL

**THIS AGREEMENT MADE THIS <insert day> DAY OF <insert month>, 20 <insert year>**

#### BETWEEN

<INSERT LEGAL NAME OF PARTY>  
("the Operator")

**-AND-**

**The Corporation of the City of London**  
a municipality incorporated under the laws  
of the Province of Ontario:  
("the City")

**WHEREAS** pursuant to multiple pieces of Provincial legislation, described below, the City is party to a number of various funding arrangements (including but not limited to receiving funds, sharing funds and distributing funds) with community partners for the purposes of implementing and delivering community services and programs;

**AND WHEREAS** pursuant to section 2(1) of the *Child Care and Early Years Act, 2014*, S.O. 2014, c.11, Sched. 1 (the "CCEYA"), "Consolidated Municipal Service Manager" is defined as a municipality or district social services administration board designated by the regulations as the service area of that Consolidated Municipal Service Manager in accordance with section 65(1);

**AND WHEREAS**, in this Agreement, a reference to "Consolidated Municipal Service Manager" or "CMSM" means a Consolidated Municipal Service Manager (CMSM) designated as a Service System Manager as defined in the *Child Care and Early Years Act, 2014*;

**AND WHEREAS** the City has a Child Care and Early Years Service System Plan (the "Plan"), in accordance with section 51(1) of the CCEYA;

**AND WHEREAS** in accordance with section 51(5), Council of the City has approved the Plan;

**AND WHEREAS** pursuant to section 54(3) of the CCEYA the Minister of Education (the "Minister") may enter into agreements with the Consolidated Municipal Service Manager (CMSM) for the purposes of establishing, administering, operating or funding child care and early years programs or services, or to fund or provide financial assistance for persons charged fees in respect of child care, or for funding or providing financial assistance that support the temporary care for or supervision of children;

**AND WHEREAS** a Consolidated Municipal Service Manager has all the rights, powers and privileges of a natural person, in accordance with section 9 of the *Municipal Act, 2001*;

**AND WHEREAS** a Consolidated Municipal Service Manager shall,

- a) develop and administer local policies respecting the operation of child care and early years programs and services;
- b) administer the delivery of financial assistance provided by the Minister under clause 54 (1) (b), in accordance with the regulations;

- c) coordinate the planning and operation of child care and early years programs and services with the planning and provision of other human services delivered by the Consolidated Municipal Service Manager;
- d) assess the economic viability of the child care and early years programs and services in the service area and, if necessary, make or facilitate changes to help make such programs and services economically viable;
- e) perform such other duties as may be prescribed by the regulations.

**AND WHEREAS** a Consolidated Municipal Service Manager may,

- (a) establish, administer, operate and fund childcare and early years programs and services;
- (b) provide financial assistance for persons who are charged fees in respect of licensed child care, authorized recreational and skill building programs and extended day programs, in accordance with the regulations;
- (c) fund and provide financial assistance for other programs or services prescribed by the regulations that provide or support temporary care for or supervision of children;
- (d) provide assistance to persons who operate child care and early years programs and services to improve their capabilities in relation to matters such as governance, financial management and the planning and delivery of programs and services;
- (e) evaluate and assess the impact of public funding; and
- (f) exercise such other powers as may be prescribed by the regulations.

**AND WHEREAS** the Operator provides one or more of the services prescribed in O. Reg. 137/15;

**AND WHEREAS** the Province has entered into a Transfer Payment Agreement with the City for the provision of funding to the City for the purpose of funding services related to early learning and child care;

**AND WHEREAS** the City has the authority pursuant to the legislation indicated in the attached Attachment to enter into this Agreement for the provision of funding for services related to early learning and child care;

**AND WHEREAS** s. 107 of the *Municipal Act, 2001*, S.O. 2001, c. 25, provides that a municipality may make grants, on such terms and conditions as to security and otherwise as the council considers appropriate, to any person, group, or body, including a fund, within or outside the boundaries of the municipality for any purpose that council considers to be in the interests of the municipality;

**NOW THEREFORE IN CONSIDERATION OF** the mutual covenants contained herein the parties agree as follows:

## **1. DEFINITIONS**

- 1.1 In this Agreement and all Attachments to this Agreement, words will be defined in accordance with the applicable legislation, unless otherwise defined in an Attachment.

## **2. ATTACHMENTS FORMING PART OF AGREEMENT AND SCOPE OF AGREEMENT**

- 2.1 The following Attachments, marked with an "X," form part of this Agreement:
  - \_\_\_\_ Attachment 1: Fee Reduction Funding;
  - \_\_\_\_ Attachment 2: Workforce Compensation Funding;

- 2.2 **Revised Attachments and associated Schedules.** The City may, at any time, upon consultation with the Operator, provide any or all of the following:
- (a) a new Attachment 1 (Fee Reduction Funding); and
  - (b) a new Attachment 2 (Workforce Compensation Funding); and
  - (c) such other further attachments related to funding as may be available from time to time
- 2.3 **Deemed to be Replaced.** If the City provides a new attachment in accordance with section 2.2, the new attachment shall be deemed to be either Attachment 1 (Fee Reduction Funding) or Attachment 2 (Workforce Compensation Funding) or such other further replacement attachments, as the case may be, (collectively referred to as “**New Attachments**”), for the period of time to which it relates as provided for in the new attachment.
- 2.4 **Termination by Operator.** If the Operator does not agree with all or any New Attachments, the Operator may terminate the Agreement immediately by giving Notice to the City within 60 days of the City providing the New Attachments.
- 2.5 **Consequences of Termination by Operator.** If the Operator terminates the Agreement pursuant to section 4.4, the City may take one or more of the actions listed in section 5.5.

### 3. TERM

- 3.1 This Agreement shall take effect on signing by both parties and will continue until it is replaced or superseded by a subsequent agreement or until it is terminated pursuant to the termination provisions of this Agreement. The completion of obligations under an Attachment to this Agreement does not terminate any obligations or the validity of this Agreement or any of the other Attachments.

### 4. THE OPERATOR/CITY RELATIONSHIP

- 4.1 The City, in its sole discretion, may pay funding to an Operator, in accordance with this Agreement and applicable Attachment(s). The amount, if any, shall be determined by the City, from time to time.
- 4.2 The Operator, in fulfilling its obligations under this Agreement, shall be solely responsible for all of its statutory obligations, including but not limited to the payment of CPP, WSIB, and taxes.
- 4.3 The parties hereto are each independent of the other and this Agreement shall not operate to create a partnership, joint venture, employment arrangement, master servant relationship or any other similar relationship between the City and the Operator or between the City and any employees, agent or contractor of the Operator.

### 5. TERMINATION

- 5.1 **Termination on 60 Days' Notice.** This Agreement may be terminated by either party upon giving at least sixty (60) days' notice, in writing, without liability, penalty or costs, or notice in accordance with the applicable Attachment(s).
- 5.2 **Termination of Individual Attachments.** Individual Attachments can be terminated in accordance with their specific provisions and without having any effect on this Agreement.
- 5.3 **Immediate Termination by City – Default.** Notwithstanding anything else in this Agreement or Attachments, the City retains the discretion to terminate the

Agreement or the Attachments immediately as a result of an event of default or non-performance and will provide written notice in accordance with section 12 of this Agreement.

5.4 **Event of Default, Non-Performance.** Each of the following events will constitute an event of default or non-performance:

- (a) in the opinion of the City, the Operator breaches any representation, warranty, covenant or other material term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:
  - (i) carry out the Program;
  - (ii) use or spend Funds; or
  - (iii) provide, in accordance with Attachment 1 or Attachment 2, or such other further attachments, reports or such other reports as may have been requested;
- (b) the Operator's operations, its financial condition, or its organizational structure, changes such that it no longer meets one or more of the eligibility requirements of the program under which the City provides the funds;
- (c) the Operator makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or a creditor makes an application for an order adjudging the Operator bankrupt, or applies for the appointment of a receiver; or
- (d) the Operator ceases to operate.

5.5 **Consequences of Termination on Notice by the City.** If the City terminates the Agreement pursuant to section 5.1, the City may take one or more of the following actions:

- (a) cancel all further instalments of Funds;
- (b) demand from the Operator the payment of any Funds remaining in the possession or under the control of the Operator; and
- (d) determine the reasonable costs for the Operator to wind down the Program, and do either of the following:
  - (i) permit the Operator to offset such costs against the amount the Operator owes pursuant to subsection 5.5(b); and,
  - (ii) subject to section 4.1, provide Funds to the Operator to cover such costs.

## 6. INDEMNIFICATION

6.1 The Operator undertakes and agrees to defend and indemnify the City (including the City's councillors, agents, appointees and employees) and hold the City (including the City's councillors, agents, appointees and employees) harmless, at the Operator's sole expense, from and against all claims, demands, suits, losses, costs, damages and expenses that the City (including the City's councillors, agents, appointees and employees) may sustain or incur by reason of:

- (a) any breach of this Agreement by any of the Operator, the Operator's employees, any subcontractor of the Operator, or persons for whom the Operator is responsible for (including volunteers);
- (b) any loss or misuse of funds held by the Operator, the Operator's employees, any subcontractor of the Operator, or persons for whom the Operator is responsible for (including volunteers);
- (c) the acts or omissions of the Operator, the Operator's employees, any subcontractor of the Operator, or persons for whom the Operator is responsible for (including volunteers) in performing the services or

otherwise carrying on the Operator's business, including any damage to any and all persons or property, whether deliberate, accidental or through negligence, and all tickets, fines and penalties;

- (d) any claim or finding that any of the Operator, the Operator's employees, any subcontractor of the Operator, or persons for whom the Operator is responsible for (including volunteers) are employees of, or are in an employment relationship with, the City or are entitled to Employment Benefits of any kind;
- (e) any liability on the part of the City under any statute (including but not limited to the *Income Tax Act* or an employment benefits statute), to make contributions, withhold or remit any monies or make any deductions from payments, or to pay any related interest or penalties by virtue of any of the following being considered to be an employee of the City, from Operator: the Operator's employees, any subcontractor of the Operator, or persons for whom the Operator is responsible for (including volunteers); and,
- (f) any and all claims, assessments, charges, taxes, or other penalties or demands which may be made by the Canada Revenue Agency, the Minister of National Revenue or other official of the Government of Canada, requiring the Corporation to pay income tax, charges or penalties under the Income Tax Act (Canada) in respect of any claims, demands and amounts payable in accordance with the contract which may be made by, on behalf of, or related to Services Canada Skills Development and Human Resources Development Canada or by any other government agency under any applicable statute and regulation with respect to any amounts which may in the future be found to be payable by the City on the Operator's behalf.

## 7. LIABILITY INSURANCE

7.1 The Operator undertakes and agrees that throughout the term of this Agreement, the Operator shall maintain:

- a) general liability insurance on an occurrence basis covering the Operator, its officers, servants, contractors, and agents for an amount not less than Five Million (\$5,000,000) dollars to cover any liability resulting from anything done or omitted by the Operator or its employees, agents or participants, with respect to the services it provides and shall include the City as an additional insured, such policy to include non-owned automobile liability, personal liability, personal injury, broad form property damage, contractual liability, owners' and contractors' protective, products and completed operations, contingent employers liability, cross liability and severability of interest clauses and further this policy will not contain an exclusion of coverage relating to physical, sexual or emotional abuse claimed against the Operator; and,
- (b) automobile insurance for any owned or leased vehicle used by the Operator for the provision of services in an inclusive limit of not less than Two Million (\$2,000,000.) dollars against statutory liability and accident benefits.

7.2 In addition, the Operator shall furnish the City with evidence of Crime, Employee Dishonesty or Bond A policy or equivalent Fidelity Bond in the amount not less than the minimum amount set out in the chart below. The City shall be shown on the Policy as a named Obligee with respect to any loss or misuse of funds held by the Service Provider as described in this Agreement.

<b>Amount of Funding</b>	<b>Minimum Crime Insurance Limit</b>
Less than \$30,000	\$5,000
\$30,001 - \$100,000	\$25,000
Greater than \$100,000	\$100,000

- 7.3 The Operator shall submit prior to signing this Agreement and thereafter on an annual basis, and prior to insurance expiry, a completed standard Insurance Certificate (Form #0788, or as amended from time to time), which provides for a minimum of thirty (30) days' notice in advance of cancellation of such insurance.
- 7.4 Failure to procure and maintain any insurance under this Agreement or Attachments shall constitute a default under this Agreement.

## **8. PUBLICATION, CONFIDENTIALITY, EMPLOYEES AND AGENTS**

- 8.1 The Operator agrees to obtain the consent in writing of the City before publishing or issuing any information regarding the Services. The Operator shall treat all confidential and proprietary information communicated to or acquired by the Operator or disclosed by the City in the course of carrying out the Services provided for herein in accordance with the *Municipal Freedom of Information and Protection of Privacy Act*. No such information shall be used by the Operator on any other project without the prior written approval of the City.
- 8.2 The Operator shall require each of its employees and agents, who work under this Agreement or who have access to confidential information of the City, to comply with the requirements of this Agreement with respect to confidentiality.
- 8.3 The Operator shall require each of its employees and agents who work under this Agreement to follow City's work rules and policies while on City premises.

## **9. ACCESSIBILITY FOR ONTARIANS WITH DISABILITIES ACT (AODA) TRAINING**

- 9.1 The Operator shall ensure that it and all of its volunteers, employees or agents, if they deal with members of the public under this Agreement, receive training about the provision of services to persons with disabilities in compliance with the *Accessibility for Ontarians with Disabilities Act, 2005* and its Regulations.

## **10. REPRESENTATIONS, WARRANTIES AND COVENANTS**

- 10.1 **CCEYA License.** The Operator represents and warrants that they have a license to operate in good standing in accordance with the *Child Care and Early Years Act* (CCEYA) and are not in contravention of the CCEYA. The Operator shall maintain the license in good standing throughout the Term of this Agreement.
- 10.2 **Keep Copy of Agreement on Premises.** The Operator shall keep a copy of this Agreement, in electronic or hard copy format, on the child care premises, and available for inspection by the applicable Provincial Ministry.
- 10.3 **Reporting of Revisions or Use of Alternate Capacity.** The Operator shall immediately report to the City any revisions or use of alternate capacity with respect to spaces for aged 0-5 for which they are receiving fee reduction funding. Any such changes may result in the City adjusting or recovering funding.
- 10.4 **Survey.** The Operator shall complete and submit, satisfactorily to the Ministry, any survey as required by the Ministry Director (e.g., *Licensed Child Care Operations Survey*). The Operator shall not receive funding from the City until the City has received confirmation from the Ministry that the Operator has satisfactorily submitted the survey.

## **11. RELATIONSHIP OF AGREEMENT TO ATTACHMENTS**

- 11.1 Where there is a conflict between the terms or obligations of the Agreement and an Attachment, the more restrictive term shall apply.



- 11.2 A default under any of the Attachments also constitutes a default under the Agreement.
- 11.3 In accordance with the By-law authorizing this Agreement, the ability to edit the terms of the Attachments has been delegated to the Deputy City Manager, Social and Health Development or their written designate.

**12. NOTICE**

- 12.1 Any notice, report, direction, request or other documentation required or permitted to be given to either party hereto shall be in writing and shall be given to the contact as indicated in the applicable Attachment.
- 12.2 Notice with respect to the terms of this Agreement (as distinct from a notice required under an Attachment) shall be in writing and shall be given by personal service or by mailing by registered mail, with postage thereon fully prepaid, in a sealed envelope, to be addressed as follows:

<p>If for the Operator:</p> <p>To: &lt;insert Operator's name&gt;</p> <p>Address: &lt;insert Operator's address&gt;</p>	<p>If for the City:</p> <p>To: The Corporation of the City of London</p> <p>Attn: Deputy City Manager, Social and Health Development  355 Wellington Street, Suite 248,  2<sup>nd</sup> Floor  London, ON  N6A 3N7</p>
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- 12.3 Either party may by notice in writing, advise of a new address for notice, which shall then be used by the party to whom it is addressed.
- 12.4 Any notice, report, direction, request or other document delivered personally in accordance herewith shall be deemed to have been received when given to the addressee on the day of delivery. Any notice, report, direction, request or other document mailed as aforesaid shall be deemed to have been received by and given to the addressee on the second (2nd) business day following the date of mailing, provided that for such purposes no day during which there shall be a strike or other occurrence which shall interfere with normal mail service shall be considered a business day.

**13. CONFLICT OF INTEREST**

- 13.1 The Operator shall disclose in writing to the Deputy City Manager, Social and Health Development or their written designate any outside interest and commitments that may generate a conflict of interest before commencing work under this Agreement and thereafter upon any such outside interest or commitment coming to the Operator's attention. "Conflict of Interest" means a situation in which the interests of the Operator or the Operator's staff or any outside interest or commitment of the Operator comes into conflict, or appears to come into conflict, with the interests of the City and includes both non-pecuniary and pecuniary interests (direct or non-direct). The Deputy City Manager, Social and Health Development or their written designate shall review the conflict promptly after disclosure by the Operator and shall give the Operator notice in writing of their determination as to whether any outside interest or commitment raises a potential conflict of interest with respect to the Operator's commitments identified in the Attachments to this Agreement, and the decision of the Deputy City Manager or their written designate shall be final. Disclosures of conflicts by the Operator to the Deputy City Manager, Social and Health Development shall

be kept confidential except to the extent necessary to review, consider and resolve any conflict and as permitted by the *Municipal Freedom of Information and Protection of Privacy Act*. A conflict of interest may be resolved by the Operator amending its obligations under one or more Attachments to this Agreement, or by terminating one or more Attachments to this Agreement, upon the written direction of the Deputy City Manager, Social and Health Development or their written designate or by the termination of the contract in accordance with section 5.

#### **14. RETURN OR REALLOCATION OF FUNDS**

- 14.1 Without limiting any rights of the City under this Agreement or its Attachments, if the Operator has not spent all of the funds allocated, the City may take one or both of the following actions:
- (a) demand the return of the unspent funds; and,
  - (b) adjust the amount of any further instalments of funds accordingly.
- 14.2 In the event this Agreement or an Attachment is terminated by a new agreement or a new Attachment between the City and the Operator, the Operator will return to the City any funds remaining in its possession or under its control.
- 14.3 If at any time the City provides funds in excess of the amount to which the Operator is entitled under the Agreement, the City may:
- (a) deduct an amount equal to the excess funds from any further instalments of funds; or,
  - (b) demand that the Operator pay an amount equal to the excess funds to the City.
- 14.4 If, pursuant to the Agreement:
- (a) the City demands from the Operator the payment of any funds or an amount equal to any funds; or,
  - (b) the Operator owes any funds or an amount equal to any funds to the City, whether or not the City has demanded their payment.
- such funds or other amount will be deemed to be a debt due and owing to the City by the Operator, and the Operator will pay or return the amount to the City immediately, unless the City directs otherwise.
- 14.5 The City may charge the Operator interest on any money owing by the Operator at the then current interest rate charged by the City on accounts receivable.
- 14.6 The Operator will pay any money owing to the City by cheque payable to "The Corporation of the City of London" and delivered to the City as provided for in section 12.
- 14.7 If the Operator fails to repay any amount owing under the Agreement, the City may deduct any unpaid amount from any money payable to the Operator by the City.

#### **15. COMMUNICATIONS REQUIREMENTS**

- 15.1 Unless otherwise directed by the City, the Province, and the Government of Canada, the Operator will:
- (a) acknowledge the support of the City of London, the Province of Ontario and the Government of Canada for the Program; and,
  - (c) ensure that the acknowledgement is in a form and manner as directed by the City or the Province (where applicable).

- 15.2 The Operator will indicate, in any of its Program-related publications, whether written, oral, or visual, that the views expressed in the publication are the views of the Operator and do not necessarily reflect those of the City.

## **16. GENERAL PROVISIONS**

### **16.1 Assignment**

Neither party may assign this Agreement without the prior consent in writing of the other.

### **16.2 Entire Agreement**

This Agreement and Attachments constitutes the entire Agreement between the Parties with respect to the subject matter contained herein and supersedes all previous agreements, arrangements, or understandings between the parties whether written or oral in connection with or incidental to this Agreement.

### **16.3 Time**

The Operator shall perform the Services expeditiously to meet the requirements of the City and shall complete any portion or portions of the Services in such order as the City may require.

### **16.4 Waiver**

The failure of either party at any time to require performance by the other party of any provisions shall in no way affect the full right to require such performance at any time thereafter, nor shall waiver by either party of any breach of the provisions be taken or held to be a waiver of any succeeding breach of such provisions or as a waiver of the provision itself.

### **16.5 Applicable Law**

This Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and Canada and the parties hereto hereby agree to the jurisdiction of the Courts of Ontario.

### **16.6 Circumstances Beyond the Control of Either Party**

Neither party shall be responsible for damage caused by delay or failure to perform under the terms of this Agreement resulting from matters beyond the control of the parties including strike, lockout or any other action arising from a labour dispute, fire, flood, act of God, war, riot, or other insurrection, lawful act of public authority, or delay or default caused by a common carrier which cannot be reasonably foreseen or provided against.

### **16.7 Survival**

All representations and warranties and obligations of confidentiality and indemnification and the reporting requirements pursuant to this Agreement shall survive termination or expiry of this Agreement.

### **16.8 Joint and Several Liability**

Where the Operator is comprised of more than one entity, all such entities will be jointly and severally liable to the City for the fulfillment of the obligations of the Operator under the Agreement.

**IN WITNESS WHEREOF** the parties have caused to be executed, this Agreement SIGNED SEALED AND DELIVERED;

**The Corporation of the City of London**

\_\_\_\_\_  
Date  
Development

\_\_\_\_\_  
Deputy City Manager, Social and Health  
or written designate

**<INSERT LEGAL NAME OF OPERATOR>**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Per:  
\*Signature

\_\_\_\_\_  
Print Name, Title  
\*I have authority to bind the Corporation

\_\_\_\_\_  
Date

\_\_\_\_\_  
Witness Signature  
(required where Operator is not a Corporation)

**ATTACHMENT 1  
FEE REDUCTION FUNDING**

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I, the below-signed Operator, acknowledge and agree with the terms set forth in this Attachment.

**Operator: [Insert Legal Name of Operator]**

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

\*I have the authority to bind the Corporation

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

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

E-mail: \_\_\_\_\_

Phone: \_\_\_\_\_

Date: \_\_\_\_\_

**Schedules to Attachment 1**

- Schedule 1.A "General Terms and Conditions"
- Schedule 1.B "Program Specific Information and Additional Provisions"
- Schedule 1.C "Program Description"
- Schedule 1.D "Budget"
- Schedule 1.E "Payment"
- Schedule 1.F "Reports"

**SCHEDULE 1.A  
GENERAL TERMS AND CONDITION**

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**A1.0 INTERPRETATION AND DEFINITIONS**

**A1.1 Definitions.** In this Attachment, the following terms will have the following meanings:

**“CWELCC Agreement”** means the Canada-Wide Early Learning and Child Care agreement entered into by the Province of Ontario and the Government of Canada.

**“CWELCC System”** means the Canada-Wide Early Learning and Child Care for early years and child care funding provided for in an agreement entered into by the Province of Ontario and the Government of Canada.

**“Consolidated Municipal Service Manager” or “CMSM”** means a Consolidated Municipal Service Manager designated as a Service System Manager as defined in the Child Care and Early Years Act, 2014.

**“Funding Year”** means:

(a) in the case of the first Funding Year, the period commencing on the date this Agreement is entered into and ending on the following December 31; and

(b) in the case of Funding Years subsequent to the first Funding Year, the period commencing on January 1 following the end of the previous Funding Year and ending on the following December 31.

**“Funds”** means the money the City provides to the Operator pursuant to the Agreement.

**“Licensee”** means the licensed home child care operator or child care centre.

**“City of London Administrative Procedures for the CWELCC”** means the locally developed administrative procedure prepared by the City acting as Consolidated Municipal Service Manager (CMSM) to demonstrate a process the CMSM will undertake to support the implementation of the CWELCC locally.

**“Maximum Funds”** means the maximum amount the City will provide the Operator under the Agreement as set out in Schedule “1.B”.

**“Ministry Addendum”** means the Ministry of Education Addendum to Ontario Child Care and EarlyON Child and Family Centres Service System Management and Funding Guideline (2022).

**“Notice”** means any communication given or required to be given pursuant to the Agreement.

**“Program”** means the undertaking described in Schedule “1.C”.

**“Reports”** means the reports described in Schedule “1.F”.

## **A2.0 FUNDS AND CARRYING OUT THE PROGRAM**

### **A2.1 Funds Provided**

The City will:

- (a) provide the Operator up to the Maximum Funds for the purpose of carrying out the Program;
- (b) provide the Funds to the Operator in accordance with the payment plan attached to the Agreement as Schedule "1.E"; and,
- (c) deposit the Funds into an account designated by the Operator provided that the account:
  - (i) resides at a Canadian financial institution; and,
  - (ii) is in the name of the Operator.

### **A2.2 Limitation on Payment of Funds**

Despite section A2.1:

- (a) the City is not obligated to provide any Funds to the Operator until the Operator provides the certificates of insurance or other proof as the City may request;
- (b) the City is not obligated to provide instalments of Funds until it is satisfied with the progress of the Program;
- (c) the City may adjust the amount of Funds it provides to the Operator in any Funding Year based upon the City's assessments, of the information the Operator provides to the City; and,
- (d) if the City does not receive the necessary funding from the Province of Ontario, the City is not obligated to make any such payment, and, as a consequence, the City may:
  - (i) Reduce the amount of Funds and, in consultation with the Operator, change the Program; or,
  - (ii) Terminate the Agreement.

### **A2.3 Use of Funds and Carry Out the Program**

The Operator will do all of the following:

- (a) Carry out the Program in accordance with the Agreement and in accordance with the City of London Administrative Procedures for the CWELCC;
- (b) use the Funds only for the purpose of carrying out the Program;
- (c) spend the Funds only in accordance with the Budget and the Addendum to: Ontario Child Care and EarlyON Child and Family Centres Service Management and Funding Guidelines (2022);
- (d) not use the Funds to cover any specific cost that has or will be funded or reimbursed by any third party, ministry, agency or organization of the Government of Ontario, and
- (e) In the case where the Operator exceeds its maximum profit (as determined under the City of London Administrative procedures for the CWELCC) the operator will be required to return any excess funds above this maximum amount to the City of London.

### **A2.4 Interest Bearing Account**

If the City provides Funds before the Operator's immediate need for the Funds, the Operator will place the Funds in an interest bearing account in the name of the Operator at a Canadian financial institution.

## **A2.5 Interest**

If the Operator earns any interest on the Funds, the City may:

- (a) deduct an amount equal to the interest from any further instalments of Funds; or,
- (b) demand from the Operator the payment of an amount equal to the interest.

## **A2.6 Rebates, Credits and Refunds**

The Operator will calculate Funds based on the actual costs to the Operator to carry out the Program, less any costs (including taxes) for which the Operator has received, will receive, or is eligible to receive, a rebate, credit or refund.

## **A2.7 Schedules**

In each Funding Year subsequent to the first Funding Year, new Schedules 1.B, 1.C, 1.D, 1.E, and 1.F (the "**Schedules**") to the Agreement shall be established according to the following process:

- (a) the City shall provide the Operator with draft Annual Schedules intended to replace Schedules 1.B, 1.C, 1.D, 1.E and 1.F to the Agreement; and,
- (b) upon receipt by the City of approval of the draft Annual Schedules by the Operator, the draft Annual Schedules shall be deemed to be Schedules 1.B, 1.C, 1.D, 1.E and 1.F in relation to the Funding Year to which they apply.

## **A2.8 When Annual Schedules Not Ready Prior to Beginning of Funding Years**

In the event the Annual Schedules are not finalized prior to the beginning of the new Funding Year:

- (a) the City may continue to provide Funds to the Operator in accordance with the Payment Plan set out in Schedule 1.E for the previous Funding Year;
- (b) if the City decides to continue to provide Funds, Maximum funds for the previous Funding Year shall be increased by the additional amount of Funds flowed pursuant to A2.8(a);
- (c) if the City decides to provide Funds, the Operator shall continue to carry out the Program described in Schedule 1.C, use the Funds in accordance with the Budget set out in Schedule 1.D and provide Reports in accordance with Schedule 1.F applicable to the previous Funding Year;

until such time as the Annual Schedules are finalized or this Agreement is terminated.

## **A3.0 OPERATOR'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS**

### **A3.1 Acquisition**

If the Operator acquires goods, services, or both with the Funds, it will:

- (a) do so through a process that promotes the best value for money; and,
- (b) comply with the *Broader Public Sector Accountability Act, 2010*, including any procurement directive issued thereunder, to the extent applicable.

### **A3.2 Disposal**

The Operator will not, without the City's prior written consent, sell, lease or otherwise dispose of any asset purchased or created with the Funds or for



which Funds were provided, the cost of which exceeded the amount as provided for in Schedule 1.B or Schedule 2.B at the time of purchase.

#### **A4.0 REPORTING, ACCOUNTING AND REVIEW**

**A4.1** The Operator is required to complete and submit reporting to the City at various time intervals throughout their enrollment and participating in the CWELCC System. Specific reporting requirements, and associated timelines, are and will be set out in the City of London Administrative procedures for the CWELCC London Administrative Policy and Procedure and as may be amended from time to time.

**A4.2** The Operator acknowledges that additional reporting requirements, beyond those set out in the City of London Administrative procedures for the CWELCC System may become requirements of their participating in the CWELCC System.

#### **A4.3 Preparation and Submission**

The Operator will:

- (a) submit to the City all Reports in accordance with the timelines and content requirements as provided for in Schedule 1.F, or in a form as specified by the City from time to time;
- (b) submit to the City any other reports as may be requested by the City in accordance with the timelines and content requirements specified by the City;
- (c) ensure that all Reports and other reports are completed to the satisfaction of the City; and,
- (d) ensure that all Reports and other reports are signed on behalf of the Operator by an authorized signing officer.

#### **A4.4 Record Maintenance**

The Operator will keep and maintain:

- (a) all financial records (including invoices) relating to the Funds or otherwise to the Program in a manner consistent with generally accepted accounting principles; and,
- (b) all non-financial documents and records relating to the Funds or otherwise to the Program.

#### **A4.5 Inspection**

The City, its authorized representative, or an independent auditor identified by the City may, at the City's expense, upon twenty-four hours' Notice to the Operator and during normal business hours, enter upon the Operator's premises to review the progress of the Program and the Operator's allocation and expenditure of the Funds and, for these purposes, the City, its authorized representatives or an independent auditor identified by the City may take one or more of the following actions:

- (a) inspect and copy the records and documents referred to in section A 4.4;
- (b) remove any copies made pursuant to section A4.5(a) from the Operator's premises; and,
- (c) conduct an audit or investigation of the Operator in respect of the expenditure of the Funds, the Program, or both.

#### **A4.6 Disclosure**

To assist in respect of the rights set out in section A 4.5, the Operator will disclose any information requested by the City, any authorized representatives, or any independent auditor identified by the City, and will do so in the form requested by the City, any authorized representative, or any independent auditor identified by the City, as the case maybe.

#### **A4.7 No Control of Records**

No provision of the Agreement will be construed so as to give the City any control whatsoever over the Operator's records.

#### **A4.8 Auditor General**

For greater certainty, the City's rights under Article A4.0 are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

### **A5.0 ASSIGNMENT OF AGREEMENT OR FUNDS**

#### **A5.1 No Assignment**

The Operator will not, without the prior written consent of the City, assign any of its rights or obligations under this agreement.

#### **A5.2 Agreement Binding**

All rights and obligations contained in the Agreement will extend to and be binding on the Parties' respective heirs, executors, administrators, successors, and permitted assigns.

### **A6.0 FURTHER REPRESENTATIONS, WARRANTIES AND COVENANTS**

#### **A6.1 General.**

The Operator represents, warrants and covenants that:

- (a) it is, and will continue to be, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- (b) it has, and will continue to have, the experience and expertise necessary to carry out the Program;
- (c) it is in compliance with, and will continue to comply with, all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules, and by-laws related to any aspect of the Program, the Funds, or both;
- (d) unless otherwise provided for in the Agreement, any information the Operator provided to the City 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 will continue to be true and complete;
- (e) it will not spend Funding on ineligible expenditures;
- (f) it will not spend Funding on expenditures unrelated to the objectives of CWELCC;
- (g) it will not make expenditures that are not at fair market value;
- (h) it will not make transactions with a related party;
- (i) it will meet deadlines relating to the City's request for information, documentation, and reporting;
- (j) it will comply with the requirements under the CWELCC System, applicable guidelines or any other specific deadlines indicated by the City of London;

- (k) it will not use CWELCC System funds not in accordance with the requirements and any applicable guidelines provided by the City;
- (l) it will complete its annual Licensed Child Care Operations Survey, as per O.Reg.137/15 (77);
- (m) it will not close for more than 2 consecutive weeks and shall not close for more than 4 weeks within a calendar year while the Operator is receiving full funding from the CWELCC System.

#### **A6.2 Execution of Agreement.**

The Operator represents and warrants that it has:

- (a) the full power and authority to enter into the Agreement; and
- (b) taken all necessary actions to authorize the execution of the Agreement.

**A6.3 Governance.** The Operator represents, warrants, and covenants that it has, will maintain in writing, and will follow:

- (a) a code of conduct and ethical responsibilities for all persons at all levels of the Operator's organization;
- (b) procedures to enable the Operator's ongoing effective functioning;
- (c) decision-making mechanisms for the Operator;
- (d) procedures to enable the Operator to manage Funds prudently and effectively;
- (e) procedures to enable the Operator to complete the Program successfully;
- (f) procedures to enable the Operator to identify risks to the completion of the Program and strategies to address the identified risks, all in a timely manner;
- (g) procedures to enable the preparation and submission of all Reports required pursuant to this Agreement;
- (h) procedures to enable the Operator to address such other matters as the Operator considers necessary to enable the Operator to carry out its obligations under this Agreement.

**A6.4 Supporting Proof.** Upon request by the City, the Purchaser will provide the City with proof of the matters referred to in Article A6.0

**SCHEDULE 1.B**  
**PROGRAM SPECIFIC INFORMATION AND ADDITION PROVISIONS**

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<b>Maximum Funds</b>	\$
<b>Term of Agreement</b>	<Insert date range of agreement>
<b>Child Care Operator Name and Location(s)</b>	
<b>Contact information for the purposes of Notice to the City</b>	The Corporation of the City of London 300 Dufferin Avenue, PO Box 5035  LONDON, ON N6A 4L9
<b>Attention:</b>	City Clerk
<b>Fax:</b>	(519)
<b>Email:</b>	
<b>Contact information for the purposes of Notice to the Operator</b>	[insert address of Operator]
<b>Attention:</b>	
<b>Fax:</b>	
<b>Email:</b>	

**Additional Provisions:**

The Operator will operate in accordance with the policies, guidelines and requirements of the City, as communicated to it.

## **SCHEDULE 1.C PROGRAM DESCRIPTION**

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Making child care more affordable for families is a key part of the implementation of the CWELCC System. Fee reduction funding is focused on reducing parent fees for families with eligible children in licensed child care.

Fee reduction funding is to be used to support parents, families and communities by reducing base fees for eligible children in licensed child care.

The Child Care and Early Year Act, 2014 (CCEYA) sets out the rules regarding what participating Licensees will be permitted to charge parents as part of their base fee (as defined by the CCEYA).

To ensure the stability and sustainability of the child care system while working towards Ontario's goals for affordability, access, inclusion and quality, fee reductions will be implemented using a phased approach over the course of the CWELCC System.

A graduated approach to fee reductions will begin in Spring 2022 as follows:

- A fee reduction of up to 25% (to a minimum of \$12 per day) for eligible children retroactive to April 1, 2022.
  - A 50% fee reduction on average for eligible children by the end of calendar year 2022.
  - \$10 per day average child care fees for eligible children by the end of fiscal year 2025-2026.
- 
- a) Licensees' base fees must be determined in accordance with the requirements set out in O. Reg. 137/15 under the CCEYA.
  - b) Licensees must reduce base fees for eligible children only. The term 'eligible children' is defined in O. Reg. 137/15
  - c) Licensees are required to provide a refund to parents where a base fee higher than the reduced base fee is charged for an eligible child, retroactive to the Licensee's CWELCC System enrolment date and for any period after the CWELCC enrolment date where excess base fees has been prepaid for.
  - d) Licensed home child care operators participating in the CWELCC System must ensure that home child care providers charge parents of eligible children a base fee determined in accordance with O. Reg. 137/15, which applies to children who are agency placed and those children that are privately placed in the provider's care.
  - e) 31 days after a Licensee is notified by the City of London of their enrolment date, the Licensee cannot charge a base fee that is higher than the applicable base fee for an eligible child.
  - f) 60 days after a Licensee is notified by the City of London of their enrolment date, the Licensee is required to provide refunds to parents for any fees paid that were higher than the reduced base fees paid, for any higher base fees that were prepaid for a period after the enrolment date, and any refunds related to reductions in parental contributions families in receipt of fee subsidy for the applicable period.
  - g) The City has the right to determine an initial base fee, in the case where the capped fee does not include all of the components required to be included in a base fee under O. Reg. 137/15, or to exclude components that should not be part of a base fee at the discretion of the City of London

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

\*Note that reference to "Licensee" is a reference to the "Operator" in this Schedule.

**SCHEDULE 1.D  
BUDGET**

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Total Fee Rebate for the period of April 1 - XXXX	\$ _____
Total Fee Reduction for the period of XXXX - December 31	\$ _____
Total Administrative Costs Associated with the implementation of the CWELCC	\$ _____
<b>Total Fee Reduction Allocation</b>	<b>\$ _____</b>

## **SCHEDULE 1.E PAYMENT**

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Fee reduction funding will be paid monthly as a notional allocation based on information submitted by the Operator for the Fee Rebate process. These payments will be reconciled at the end of the year based on actuals.

Retroactive Fee Rebate will be a paid as a one-time payment to the Operator following the City of London's Notification of Eligibility.

The Operator must make the Fee Rebate payments to parents of eligible children no later than 60 days following the City of London's Notification of eligibility for CWELCC system participation.



**SCHEDULE 1.F  
REPORTS**

The Operators must track and report on the following data points and submit to the City as per the following cycle:

Expenditures to support Fee Reduction	Bi-annually *broken down monthly	July (for January-June) January (for July-December)
Expenditures to support parent refunds	Bi-annually *broken down monthly	July (for January-June) January (for July-December)
Number of children served through Fee Reductions	Bi-annually *broken down monthly	July (for January-June) January (for July-December)
Average monthly number of children served through Fee Reductions • By age group	Bi-annually *broken down monthly	July (for January-June) January (for July-December)
Number of licensed child care spaces supported with Fee Reductions • By age group	Bi-annually *broken down monthly	July (for January-June) January (for July-December)
Number of child care centers and home providers supported with Fee Reduction funding	Bi-annually *broken down monthly	July (for January-June) January (for July-December)
Number of children in receipt of required fee refunds	Bi-annually *broken down monthly	July (for January-June) January (for July-December)

The Operator must provide the above data points and submit this report to the City as per the following cycle:

Submission Type	Due Date
Bi-annual and Annual Funding and Tracking Workbook for Operators	January 15, 2023

**1.0 POLICY FOR LATE FILING**

- 1.1 Where an Operator files **Interim Report** and/or **Financial Statements** after the filing deadline, the City will take the following action until the City receives the submission from the Operator:
  - (a) If the City does not receive the submission from the Operator within 30 days after the filing deadline, the City will inform the Operator that the submission is overdue.
  - (b) If the City does not receive the submission from the Operator after 31 days, the City will reduce cash flow to the Operator by 50 percent of the Operator’s monthly payment. The City will attempt to communicate with the Operator regarding any late submissions.
  
- 1.2 If the City receives the Operator’s required submissions, the City will revert back to the normal Monthly payment process and will include in the monthly payment the total amount that the Operator is entitled to up to that point.
  
- 1.3 Should an Operator have any outstanding submissions the City may exercise its discretion by not providing funding in subsequent funding year.

**ATTACHMENT 2  
WORKFORCE COMPENSATION FUNDING**

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I, the below-signed Operator, acknowledge and agree with the terms set forth in this Attachment.

**Operator: [Insert Legal Name of Operator]**

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

\*I have the authority to bind the Corporation

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

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

E-mail: \_\_\_\_\_

Phone: \_\_\_\_\_

Date: \_\_\_\_\_

**Schedules to Attachment 2**

- Schedule 2.A "General Terms and Conditions"
- Schedule 2.B "Program Specific Information and Additional Provisions"
- Schedule 2.C "Program Description"
- Schedule 2.D "Budget"
- Schedule 2.E "Payment"
- Schedule 2.F "Reports"

**SCHEDULE 2.A**  
**GENERAL TERMS AND CONDITIONS**

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**A1.0 INTERPRETATION AND DEFINITIONS**

**A1.1 Definitions.** In this Attachment, the following terms will have the following meanings:

**“CWELCC Agreement”** means the Canada-Wide Early Learning and Child Care agreement entered into by the Province of Ontario and the Government of Canada.

**“CWELCC System”** means the Canada-Wide Early Learning and Child Care for early years and child care funding provided for in an agreement entered into by the Province of Ontario and the Government of Canada.

**“Consolidated Municipal Service Manager”** or **“CMSM”** means a Consolidated Municipal Service Manager designated as a Service System Manager as defined in the Child Care and Early Years Act, 2014.

**“Funding Year”** means:

(a) in the case of the first Funding Year, the period commencing on the date this Agreement is entered into and ending on the following December 31; and

(b) in the case of Funding Years subsequent to the first Funding Year, the period commencing on January 1 following the end of the previous Funding Year and ending on the following December 31.

**“Funds”** means the money the City provides to the Operator pursuant to the Agreement.

**“Licensee”** means the licensed home child care operator or child care centre.

**“City of London Administrative procedures for the CWELCC”** means the locally developed administrative procedure prepared by the City acting as Consolidated Municipal Service Manager (CMSM) to demonstrate a process the CMSM will undertake to support the implementation of the CWELCC locally.

**“Maximum Funds”** means the maximum amount the City will provide the Operator under the Agreement as set out in Schedule “1.B”.

**“Ministry Addendum”** means the Ministry of Education Addendum to Ontario Child Care and EarlyON Child and Family Centres Service System Management and Funding Guideline (2022).

**“Notice”** means any communication given or required to be given pursuant to the Agreement.

**“Program”** means the undertaking described in Schedule “1.C”.

**“Reports”** means the reports described in Schedule “1.F”.

## **A2.0 FUNDS AND CARRYING OUT THE PROGRAM**

### **A2.1 Funds Provided**

The City will:

- (a) provide the Operator up to the Maximum Funds for the purpose of carrying out the Program;
- (b) provide the Funds to the Operator in accordance with the payment plan attached to the Agreement as Schedule "2.E"; and,
- (c) deposit the Funds into an account designated by the Operator provided that the account:
  - (i) resides at a Canadian financial institution; and,
  - (ii) is in the name of the Operator.

### **A2.2 Limitation on Payment of Funds**

Despite section A2.1:

- (a) the City is not obligated to provide any Funds to the Operator until the Operator provides the certificates of insurance or other proof as the City may request;
- (b) the City is not obligated to provide instalments of Funds until it is satisfied with the progress of the Program;
- (c) the City may adjust the amount of Funds it provides to the Operator in any Funding Year based upon the City's assessments, of the information the Operator provides to the City; and,
- (d) if the City does not receive the necessary funding from the Province of Ontario, the City is not obligated to make any such payment, and, as a consequence, the City may:
  - (i) Reduce the amount of Funds and, in consultation with the Operator, change the Program; or,
  - (ii) Terminate the Agreement.

### **A2.3 Use of Funds and Carry Out the Program**

The Operator will do all of the following:

- (a) carry out the Program in accordance with the Agreement and in accordance with the City of London Administrative procedures for the CWELCC;
- (b) use the Funds only for the purpose of carrying out the Program;
- (c) spend the Funds only in accordance with the Budget and the Addendum to: Ontario Child Care and EarlyON Child and Family Centres Service Management and Funding Guidelines (2022);
- (d) not use the Funds to cover any specific cost that has or will be funded or reimbursed by any third party, ministry, agency or organization of the Government of Ontario; and
- (e) in the case where the Operator exceeds its maximum profit (as determined under the City of London's Administrative procedures for the CWELCC) the Operator will be required to return any excess Funds above this maximum amount to the City of London.

#### **A2.4 Interest Bearing Account**

If the City provides Funds before the Operator's immediate need for the Funds, the Operator will place the Funds in an interest bearing account in the name of the Operator at a Canadian financial institution.

#### **A2.5 Interest**

If the Operator earns any interest on the Funds, the City may:

- (a) deduct an amount equal to the interest from any further instalments of Funds; or,
- (b) demand from the Operator the payment of an amount equal to the interest.

#### **A2.6 Rebates, Credits and Refunds**

The Operator will calculate Funds based on the actual costs to the Operator to carry out the Program, less any costs (including taxes) for which the Operator has received, will receive, or is eligible to receive, a rebate, credit or refund.

#### **A2.7 Schedules**

In each Funding Year subsequent to the first Funding Year, new Schedules 2.B, 2.C, 2.D, 2.E, and 2.F (the "**Schedules**") to the Agreement shall be established according to the following process:

- (a) the City shall provide the Operator with draft Annual Schedules intended to replace Schedules 2.B, 2.C, 2.D, 2.E and 2.F to the Agreement; and,
- (b) upon receipt by the City of approval of the draft Annual Schedules by the Operator, the draft Annual Schedules shall be deemed to be Schedules 2.B, 2.C, 2.D, 2.E and 2.F in relation to the Funding Year to which they apply.

#### **A2.8 When Annual Schedules Not Ready Prior to Beginning of Funding Years**

In the event the Annual Schedules are not finalized prior to the beginning of the new Funding Year:

- (a) the City may continue to provide Funds to the Operator in accordance with the Payment Plan set out in Schedule 2.E for the previous Funding Year;
- (b) if the City decides to continue to provide Funds, Maximum funds for the previous Funding Year shall be increased by the additional amount of Funds flowed pursuant to A2.8(a);
- (c) if the City decides to provide Funds, the Operator shall continue to carry out the Program described in Schedule 2.C, use the Funds in accordance with the Budget set out in Schedule 2.D and provide Reports in accordance with Schedule 2.F applicable to the previous Funding Year;

until such time as the Annual Schedules are finalized or this Agreement is terminated.

### **A3.0 OPERATOR'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS**

#### **A3.1 Acquisition**

If the Operator acquires goods, services, or both with the Funds, it will:

- (a) do so through a process that promotes the best value for money; and,
- (b) comply with the *Broader Public Sector Accountability Act, 2010*, including any procurement directive issued thereunder, to the extent applicable.

### **A3.2 Disposal**

The Operator will not, without the City's prior written consent, sell, lease or otherwise dispose of any asset purchased or created with the Funds or for which Funds were provided, the cost of which exceeded the amount as provided for in Schedule 1.B or Schedule 2.B at the time of purchase.

## **A4.0 REPORTING, ACCOUNTING AND REVIEW**

**A4.1** The Operator is required to complete and submit reporting to the City at various time intervals throughout their enrollment and participating in the CWELCC System. Specific reporting requirements, and associated timelines, are and will be set out in the City of London Administrative procedures for the CWELCC and as may be amended from time to time.

**A4.2** The Operator acknowledges that additional reporting requirements, beyond those set out in the City of London Administrative procedures for the CWELCC may become requirements of their participating in the CWELCC System.

### **A4.3 Preparation and Submission**

The Operator will:

- (a) submit to the City all Reports in accordance with the timelines and content requirements as provided for in Schedule 2.F, or in a form as specified by the City from time to time;
- (b) submit to the City any other reports as may be requested by the City in accordance with the timelines and content requirements specified by the City;
- (c) ensure that all Reports and other reports are completed to the satisfaction of the City; and,
- (d) ensure that all Reports and other reports are signed on behalf of the Operator by an authorized signing officer.

### **A4.4 Record Maintenance**

The Operator will keep and maintain:

- (a) all financial records (including invoices) relating to the Funds or otherwise to the Program in a manner consistent with generally accepted accounting principles; and,
- (b) all non-financial documents and records relating to the Funds or otherwise to the Program.

### **A4.5 Inspection**

The City, its authorized representative, or an independent auditor identified by the City may, at the City's expense, upon twenty-four hours' Notice to the Operator and during normal business hours, enter upon the Operator's premises to review the progress of the Program and the Operator's allocation and expenditure of the Funds and, for these purposes, the City, its authorized representatives or an independent auditor identified by the City may take one or more of the following actions:

- (a) inspect and copy the records and documents referred to in section A4.4;
- (b) remove any copies made pursuant to section A4.5(a) from the Operator's premises; and,
- (c) conduct an audit or investigation of the Operator in respect of the expenditure of the Funds, the Program, or both.

#### **A4.6 Disclosure**

To assist in respect of the rights set out in section A 4.5, the Operator will disclose any information requested by the City, any authorized representatives, or any independent auditor identified by the City, and will do so in the form requested by the City, any authorized representative, or any independent auditor identified by the City, as the case maybe.

#### **A4.7 No Control of Records**

No provision of the Agreement will be construed so as to give the City any control whatsoever over the Operator's records.

#### **A4.8 Auditor General**

For greater certainty, the City's rights under Article A4.0 are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

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#### **A5.1 No Assignment**

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#### **A5.2 Agreement Binding**

All rights and obligations contained in the Agreement will extend to and be binding on the Parties' respective heirs, executors, administrators, successors, and permitted assigns.

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**A6.1 General.** The Operator represents, warrants and covenants that:

- (a) it is, and will continue to be, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- (b) it has, and will continue to have, the experience and expertise necessary to carry out the Program;
- (c) it is in compliance with, and will continue to comply with, all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules, and by-laws related to any aspect of the Program, the Funds, or both;
- (d) unless otherwise provided for in the Agreement, any information the Operator provided to the City 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 will continue to be true and complete;
- (e) it will not spend Funding on ineligible expenditures;
- (f) it will not spend Funding on expenditures unrelated to the objectives of CWELCC;
- (g) it will not make expenditures that are not at fair market value;
- (h) it will not make transactions with a related party;
- (i) it will meet deadlines relating to the City's request for information, documentation, and reporting;
- (j) it will comply with the requirements under the CWELCC System, applicable guidelines or any other specific deadlines indicated by the City of London;
- (k) it will not use CWELCC System funds not in accordance with the requirements and any applicable guidelines provided by the City;

- (l) it will complete its annual Licensed Child Care Operations Survey, as per O.Reg.137/15 (77);
- (m) it will not close for more than 2 consecutive weeks and shall not close for more than 4 weeks within a calendar year while the Operator is receiving full funding from the CWELCC System.

**A6.2 Execution of Agreement.** The Operator represents and warrants that it has:

- (a) the full power and authority to enter into the Agreement; and
- (b) taken all necessary actions to authorize the execution of the Agreement.

**A6.3 Governance.** The Operator represents, warrants, and covenants that it has, will maintain in writing, and will follow:

- (a) a code of conduct and ethical responsibilities for all persons at all levels of the Operator's organization;
- (b) procedures to enable the Operator's ongoing effective functioning;
- (c) decision-making mechanisms for the Operator;
- (d) procedures to enable the Operator to manage Funds prudently and effectively;
- (e) procedures to enable the Operator to complete the Program successfully;
- (f) procedures to enable the Operator to identify risks to the completion of the Program and strategies to address the identified risks, all in a timely manner;
- (g) procedures to enable the preparation and submission of all Reports required pursuant to this Agreement;
- (h) procedures to enable the Operator to address such other matters as the Operator considers necessary to enable the Operator to carry out its obligations under this Agreement.

**A6.4 Supporting Proof.** Upon request by the City, the Purchaser will provide the City with proof of the matters referred to in Article A6.0



**SCHEDULE 2.B**  
**PROGRAM SPECIFIC INFORMATION AND ADDITIONAL PROVISIONS**

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<b>Maximum Funds</b>	\$
<b>Term of Agreement</b>	[Insert date range of agreement]
<b>Child Care Operator Name and Location(s)</b>	
<b>Contact information for the purposes of Notice to the City</b>	The Corporation of the City of London 300 Dufferin Avenue, PO Box 5035  LONDON, ON N6A 4L9
<b>Attention:</b>	City Clerk
<b>Fax:</b>	(519)
<b>Email:</b>	
<b>Contact information for the purposes of Notice to the Operator</b>	[insert address of Operator]
<b>Attention:</b>	
<b>Fax:</b>	
<b>Email:</b>	

**Additional Provisions:**

The Operator will operate in accordance with the policies, guidelines and requirements of the City, as communicated to it.

## **SCHEDULE 2.C PROGRAM DESCRIPTION**

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The commitment, knowledge and experience of Ontario's diverse range of child care and early years professionals is a key factor in the implementation of the CWELCC System.

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

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

### **Wage floor and Annual Wage Increase**

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

- (k) Workforce compensation funding must be considered in addition to and not reduce other planned compensation increases for eligible staff. For example, the wage floor and annual wage increase cannot be used to reduce planned merit increases for eligible staff.
- (l) Licensees must include workforce compensation payments in each pay cheque or payment made to eligible RECE staff.
- (m) Upon receiving confirmation of enrolment in the CWELCC System from their City of London, and as new eligible RECE staff are hired, Licensees are required to share in writing, information about the wage floor and annual wage increase with eligible RECE staff.
- (n) Licensees must report on data for meeting wage floor and annual wage increase requirements as determined by the City of London and the reporting parameters set out in the ministry's Addendum to the Funding Guideline.

### **Minimum Wage Offset**

- (a) Licensees must provide eligible non-RECE staff that were earning less than \$15 per hour (not including wage enhancement) on March 31, 2021, or were hired after March 31, 2021, and before January 1, 2022, and had wages below \$15 per hour (not including wage enhancement), Minimum Wage Offset funding
- (b) Licensees must report on data for meeting minimum wage offset requirements as determined by the City of London and outlined in the City of London Administrative procedures for the CWELCC reporting parameters set out in the ministry's Addendum to the Funding Guideline.

### **Mandatory Benefits**

- a) Licensees will include a minimum of 17.5 % statutory benefits for any rebate or increase associated with CWELCC funding
- b) Licensees must report on data requirements determined by the City of London and outlined in the reporting parameters set out in the ministry's Addendum to the Funding Guidelines

\*Note that reference to "Licensee" is a reference to the "Operator" in this Schedule.

**SCHEDULE 2.D  
BUDGET**

Total minimum wage offset rebate plus benefits for the period of April 1, 2022 – XXXX	\$ _____
Total minimum wage offset plus benefits for the period of XXXX – December 31, 2022	\$ _____
Total wage floor rebate plus benefits for the period of April 1, 2022 – XXXX	\$ _____
Total Wage Floor Increase plus Benefits for the period of XXXX – December 31, 2022	\$ _____
<b>Total 2022 Workforce Compensation Allocation</b>	<b>\$ _____</b>

## **SCHEDULE 2.E PAYMENT**

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Retroactive Wage Floor increases will be a one-time payment to the Operator upon determination of eligibility for CWELCC system that is from the date of enrollment to the 1<sup>st</sup> of the month for the applicable period. The Operator must make these payments to eligible RECE staff no later than 60 days following the City of London's Notification of eligibility.

Wage floor increase payments for the remaining months of 2022 following notification will be paid as a notional allocation and will be reconciled at year end.

Retroactive minimum Wage offset will be a one-time rebate payment to the Operator upon determination of eligibility for CWELCC system that is from the date of enrollment to the 1<sup>st</sup> of the month for the determination of eligibility date.

Following the rebate period, payments for minimum wage offset will be an annual payment until the end of the CWELCC agreement or as otherwise stated in the Addendum that is updated from time to time.

The City automatically adjusts entitlement and the resulting cash flow to reflect forecasted or actual under-spending that is reported in financial submissions

**SCHEDULE 2.F  
REPORTS**

The Operator must track and provide the following data elements to the City as per the following cycle:

<p>Number of RECE program staff, RECE supervisors and RECE home visitors supported with Wage Floor</p> <ul style="list-style-type: none"> <li>• By age group</li> </ul>	<p>Bi-annually *broken down monthly</p>	<p>July (for January-June) January (for July-December)</p>
<p>Number of RECE program staff, RECE supervisors and RECE home visitors supported with Annual Wage Increase</p> <ul style="list-style-type: none"> <li>• By age group</li> </ul>	<p>Bi-annually *broken down monthly Note: Begins in 2023</p>	<p>July (for January-June) January (for July-December)</p>
<p>Total expenditure on Wage Floor paid out to RECE program staff, RECE supervisors and RECE home visitors</p> <ul style="list-style-type: none"> <li>• By role category</li> <li>• By age group served</li> </ul>	<p>Bi-annually *broken down monthly</p>	<p>July (for January-June) January (for July-December)</p>
<p>Total expenditure on Annual Wage Increase paid out to RECE program staff, RECE supervisors and RECE home visitors</p> <ul style="list-style-type: none"> <li>• By role category</li> <li>• By age group served</li> </ul>	<p>Bi-annually *broken down monthly Note: Begins in 2023</p>	<p>July (for January-June) January (for July-December)</p>
<p>Total expenditure on benefits paid out to RECE program staff, RECE supervisors and RECE home visitors</p> <ul style="list-style-type: none"> <li>• By role category</li> <li>• By age group served</li> </ul>	<p>Bi-annually *broken down monthly</p>	<p>July (for January-June) January (for July-December)</p>
<p>Number of child care centers or sites support with Wage Floor and/or Wage Increase</p> <ul style="list-style-type: none"> <li>• By age group</li> </ul>	<p>Bi-annually *broken down monthly</p>	<p>July (for January-June) January (for July-December)</p>
<ul style="list-style-type: none"> <li>• Number of non-RECE program staff, total number of non-RECE supervisors and total number of non-RECE home child care visitors supported by the minimum wage offset</li> <li>• By role category</li> <li>• By staff serving eligible and non eligible children</li> </ul>	<p>Bi-annually *broken down monthly</p>	<p>July (for January-June) January (for July-December)</p>
<ul style="list-style-type: none"> <li>• Total expenditure on the minimum wage offset paid out to Licensees for non-RECE program staff, non-RECE supervisors, and non-RECE home child care visitors</li> <li>• By role category</li> <li>• By staff serving eligible and non eligible children</li> </ul>	<p>Bi-annually *broken down monthly</p>	<p>July (for January-June) January (for July-December)</p>

<ul style="list-style-type: none"> <li>• Benefits paid out to Licensees for non-RECE program staff, non-RECE supervisors, and non-RECE home child care visitors</li> <li>• By role category</li> <li>• By staff serving eligible and non eligible children</li> </ul>	Bi-annually *broken down monthly	July (for January-June) January (for July-December)
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The Operator must provide the above data points and submit this report to the City as per the following cycle:

Submission Type	Due Date
Bi-annual and Annual Funding and Tracking Workbook for Operators	January 15, 2023

### 1.0 POLICY FOR LATE FILING

Where an Operator files **Interim Report** and/or **Financial Statements** after the filing deadline, the City will take the following action until the City receives the submission from the Operator:

- (a) If the City does not receive the submission from the Operator within 30 days after the filing deadline, the City will inform the Operator that the submission is overdue.
  - (b) If the City does not receive the submission from the Operator after 31 days, the City will reduce cash flow to the Operator by 50 percent of the Operator’s monthly payment. The City will attempt to communicate with the Operator regarding any late submissions.
- 1.2 If the City receives the Operator’s required submissions, the City will revert back to the normal Monthly payment process and will include in the monthly payment the total amount that the Operator is entitled to up to that point.
- 1.3 Should an Operator have any outstanding submissions the City may exercise its discretion by not providing funding in subsequent funding year.

**ATTACHMENT 3, etc.**

(such other attachments related to funding as may be approved from time to time)