



2025 County of Simcoe Start-up Grant Guidelines

ADMINISTRATIVE POLICY AND PROCEDURES
LICENSED CHILD CARE AND EARLY YEARS

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**This document is intended for use by the recipient Agency/Organization holding an Agreement with the County of Simcoe for funding to administer licensed child care and/or early years services.*

This document is not intended for public distribution.

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Purpose

The [Canada-Wide Early Learning and Child Care Agreement](#) (CWELCC) aims to increase affordability for families, create more licensed early learning and child care spaces for children, enhance system quality, inclusion and stability, and build up the Early Learning and Child Care workforce.

The County of Simcoe's [Early Learning and Child Care Growth Strategy](#) sets out our commitment to providing access to quality early learning and child care services that enhance opportunities for early childhood development and aligns with the principles of the province's Access and Inclusion Framework as we operationalize our [CWELCC Directed Growth Plan](#).

CWELCC Directed Growth Start-up Grant funding is available to support the creation of new community-based full-day licensed child care spaces that will serve infant, toddler and preschool age children. The funding can be used to offset costs associated with expansion and creation of new spaces and may include materials and equipment purchases and minor renovations.

Application Process

To be eligible to apply for start-up grant funding, the Licensee must be approved for CWELCC enrollment through the County of Simcoe CWELCC Directed Growth application process.

Eligible Early Learning and Child Care Licensees, including centre-based programs and home child care agencies, must apply for start-up grants from the Service System Manager where the approved new spaces are located. As the Service System Manager for the County of Simcoe and the cities of Barrie and Orillia, the Early Learning and Child Care System Management team is responsible for administering the application process in these service areas.

Start-up grant funding applications are embedded in step two of our CWELCC Directed Growth application process. It is important to note that start-up grant ceiling levels are pre-determined and actual funding allocations are established using a claims-based reconciliation process.

Licensees are required to provide details of eligible expenses incurred or projected to support the creation of the approved new spaces (see eligible expenses below).

Single expenses (e.g. contractor quote, single piece of equipment, material) that are \$5000 or greater will require three written estimates with the lowest cost selected, unless there is an extenuating circumstance that is pre-approved by the County of Simcoe.

When approving applications for start-up grant funding, the following factors may be considered:

- Cost-effectiveness
- Available operating funding
- Program capacity to access funds through other means
- Program budget and financial history
- Current licensed and operational capacity
- Age groups
- Long-term viability
- Investment in quality programming

Eligibility

The County of Simcoe may approve start-up grants for eligible projects that align with the County of Simcoe's CWELCC Directed Growth Plan and were approved to enroll in CWELCC in 2025.

All Licensees who hold incorporated businesses, not-for-profit and commercial, who are approved through the County of Simcoe CWELCC Directed Growth application process are eligible to apply for CWELCC Start-up Grant funding.

Expenditures that fall within the scope of eligible start-up project expenses incurred prior to receiving approval and entering into a funding agreement for CWELCC Start-up funding will be reviewed by the County and may or may not be deemed eligible for funding.

The County takes no responsibility for any financial investment the licensee makes prior to entering into a Start-up grant funding agreement, this includes but is not limited to debt costs, including principal and interest, relating to loans and mortgages.

Funding Conditions

To receive CWELCC Start-up Grant funding, the Licensee is required to:

- Enter into a service agreement with the County of Simcoe
- Comply with County of Simcoe CWELCC Guidelines
- Remain enrolled in the CWELCC system for the remainder of the current CWELCC Agreement (until March 31, 2026).
- Create new community-based, licensed full-day early learning and child care spaces for infant, toddler, and preschool age groups in identified high priority municipalities, cities, and neighbourhoods.

- Sustain operation of the age groupings and spaces for which the start-up grants are approved to create.
- Spend the start-up grant and open the new spaces within the timeline agreed with the County. If that is not possible, the spaces must be opened within two years from the date of the service agreement between the applicant and the County is executed, or the funding will be recovered from the licensee.
- CWELCC Start-up Grant funding must be fully expended by December 31 of the year in which the spaces are approved to be operational. E.g. if spaces for which CWELCC Start-up Grant funding is approved are to be operational on July 20, 2025, the Licensee will fully expend all approved funding by December 31, 2025.
- Any unspent funding provided to licensees during the funding year, or funding not used for its intended purpose, will be recovered by the County of Simcoe. This also includes the right to withhold payment or to reduce funding to a Licensee when the licensee does not meet the obligations related to the use of CWELCC Start-up Grant funding.

For Licensed Home Child Care Agencies

If/when an active provider closes, the agency may re-open an alternate home preferably in or near the same location, within Simcoe County boundaries and in consultation with the County of Simcoe to ensure that the new location aligns with the priority municipalities and cities.

If the agency wishes to re-open in another municipality, they will be required to follow Ministry of Education requirements through the Ontario Child Care Licensing System.

CWELCC Start-up Grant funding will not be available for spaces that are re-opened following a provider closure. Materials and equipment should be passed on to the new provider.

Eligible and Ineligible Expenses

CWELCC Start-up Grant funding is to be used to offset eligible start-up costs that are required to expand or create community-based licensed early learning and child care spaces such as equipment and leasehold improvements, not including capital expenses or expenses related to purchasing land or buildings. Equipment and materials for newly constructed sites may be eligible.

Capital projects to create licensed child care programs for kindergarten and school-aged children, including full-day programs and before and after school programs, are not eligible for Start-up grant funding.

Eligible expenses for licensed child care centres

- Play materials, equipment, and furnishings (both indoors and outdoors) as outlined in Section 19 of O. Reg. 137/15 under the *Child Care and Early Years Act, 2014*.
- Non-consumable supplies/equipment to support the ongoing regular operation of the child care program (e.g. appliances, IT, supplies to support learning environments while adhering to health and safety requirements).
- Minor renovations, additions, or repairs to licensed full day child care facilities or potential child care facilities as approved by the County of Simcoe.
- Changes to outdoor play space that are required as a result of the expansion of child care spaces in the centre so that the licensee continues to comply with section 24 of O. Reg. 137/15 under the *Child Care and Early Years Act, 2014*.
- Leasehold improvements (changes required to be made to the space of a leased property to meet licensing requirements and operational needs).

Eligible expenses for home child care licensees

- Play materials, equipment, and furnishings (both indoors and outdoors) as outlined in Section 27 of O. Reg. 137/15 under the *Child Care and Early Years Act, 2014* that can be transferred between home and child care locations as required.
- Play materials, equipment and/or furnishings purchased with start up grant funding are part of the agency's inventory, ownership is retained by the agency, and the agency will have agreements in place with Providers indicating such. The agreements shall include actions to be taken to return materials, equipment, and furnishings to the agency if/when a Provider is no longer active with the agency.

Ineligible Expenses

- Purchase of land or buildings
- Debt costs including principal and interest payments related to capital loans, mortgage financing, and operating loans
- Property taxes
- Expenditures related to 6-12 year age groups
- Capital projects for licensed child care programs for kindergarten and school-aged children, including full day programs and before and after school programs, are not eligible for Start-up grant funding.
- School-based child care spaces

- Indoor and outdoor renovations, additions, or repairs to home child care licensee premises or potential home child care provider premises.

Maximum Funding Levels

The amount of funding approved will be communicated in the CWELCC Start-up Grant funding agreement.

- Licensed centre-based eligible start-up expenses will be approved based on the actual costs incurred to support the creation of new spaces for children up to age six (6), to a maximum of \$350,000 for every 20 child care spaces created.
- Licensed home child care eligible start-up expenses will be approved based on the actual costs incurred to support the creation of new spaces for children up to age six (6), up to a maximum of \$1200.00 per eligible space to a maximum of \$7,200 per provider.
- Funding approvals are to help offset costs to create new child care spaces in compliance with Regulations under the CCEYA 2014, it is not intended to fully fund the project.
- Approved funding may not reach maximum allowable funding levels, based on;
 - available funding
 - cost-effectiveness as determined by the County of Simcoe
 - capacity of program to access funds through other means
 - program budget and financial history long-term viability
 - investment in quality programming.

Implementation

As indicated earlier, the CWELCC Start-up Grant funding application is embedded in step two of the County of Simcoe CWELCC Directed Growth Application. The County of Simcoe will confirm approved expenses and overall funding level in the CWELCC Start-up Grant Service Description Schedule. The Licensee will enter into a service agreement with the County of Simcoe and funding will not be considered committed and will not be flowed until there is a fully executed service agreement. At which time, the licensees may begin arranging the approved work and/or purchases.

The Licensee will complete a funding workbook to indicate incurred and/or projected start-up costs and a project plan showing anticipated milestones with anticipated completion dates.

Approved funding will be disbursed incrementally based on the agreed upon milestones and funding needs as demonstrated in the agreed project plan.

Based on the scope of the project, a communication plan will be developed to ensure the County of Simcoe is fully apprised of progress and achievement of milestones over time, as applicable.

All 2025 approved funding will require invoices with proof of payment to be submitted at the time of reconciliation, which will align with the end of each calendar year at minimum.

Where projects continue into the following year beyond the expected completion year, funding is not guaranteed to be available. Where possible, the County of Simcoe may, in its sole discretion, continue to fund expenditures using the following year's start-up grant allocation, where available.

Reconciliation

Licensees are responsible to track and report CWELCC Start-up Grant funding expenditures separately from other CWELCC and child care administration funding.

Licensees will receive a reconciliation report to complete and submit annually, and/or once the funding has been expended. In addition to the completed report, the licensee must also submit copies of invoices and proof of payment for all eligible expenditures by the due date indicated in the funding agreement.

Any unused funding must be returned to the County of Simcoe, in the form of a cheque made payable to *The County of Simcoe* or by Electronic Funds Transfer (EFT) by the due date indicated in the funding agreement.

Receipts for purchases must be directly linked to the child care program or home child care agency. E.g., Amazon order invoices must show that an item is ordered directly by the program using a business account and is being delivered directly to the program. Purchases that are made using a personal account and/or shipped to a home address will not be considered an eligible expense.

All Licensees in receipt of CWELCC funding are required to submit audited financial statements to the County of Simcoe annually within four months of the organization's fiscal year end. The audited financial statements must indicate verification that the funding was used for the purposes intended.

Unspent funds and/or funds used for ineligible expenses will be recovered by the County of Simcoe.

Licensees who do not meet the required conditions associated with this funding may have funds recovered, future payments reduced and/or withheld at the discretion of the County.

The County of Simcoe will take reasonable and progressive corrective action where an approved applicant does not comply with reporting requirements related to CWELCC Start-up Grant funding, in accordance with County of Simcoe Policies and Procedures.

Reporting Requirements

The financial and service reporting requirements are outlined in the Service Agreement. The licensee is required to comply with all reporting requirements.

Early Learning and Child Care licensees shall consider, receive, administer, and reconcile funding in accordance with requirements as specified within:

- Their duly executed County of Simcoe Early Learning and Child Care Funding Agreement;
- Funding Conditions as outlined within this document, and the Licensee Handbook;
- All County of Simcoe Policies, Procedures and Guidelines governing funding at the time of funding distribution and as amended.

Appeals

If a CWELCC Start-up Grant funding application is denied, the applicant may appeal the decision by completing the following steps:

- Indicate in writing within 10 business days of receiving the decision that they are appealing the decision.
- The applicant must provide the reasons they feel the program should be eligible for the start-up grant funding.
- The applicant must include all supporting documentation that the applicant believes will be relevant to the appeal.

The Manager and/or Director of Early Learning and Child Care System Management will review the information provided and notify the applicants of the decision in writing.

Contact Information

Should you require additional information about this funding, or if you have questions, please email ELCC@simcoe.ca and a member of the Early Learning and Child Care System Management Team will respond to your request within two business days.