

ONTARIO TRANSFER PAYMENT AGREEMENT

THE AGREEMENT is effective as of the 1 day of January, 2018

B E T W E E N :

**Her Majesty the Queen in right of Ontario
as represented by the Minister of Education**

(the “Province”)

- and -

The Corporation of the County of Grey

(the “Recipient”)

CONSIDERATION

In consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the Province and the Recipient agree as follows:

1.0 ENTIRE AGREEMENT

1.1 The agreement, together with:

Schedule “A” - General Terms and Conditions
Schedule “B” - Program Specific Information
Schedule “C” - Program
Schedule “D” - Budget
Schedule “E” - Payment Plan
Schedule “F” - Reports, and

any amending agreement entered into as provided for in section 4.1,

constitutes the entire agreement between the Parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and agreements.

1.2 The Agreement supersedes the 2017 Agreement and the Preliminary 2018 Agreement which are hereby terminated.

2.0 COUNTERPARTS

2.1 The Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

3.0 AMENDING THE AGREEMENT

3.1 Except as otherwise provided for in the Agreement, the Agreement may only be amended by a written agreement duly executed by the Parties.

4.0 REVISED SCHEDULES

4.1 **Revised Schedules.** The Province may, at any time, upon consultation with the Recipient, provide any or all of the following:

- (a) a new Schedule "B" (Program Specific Information)
- (b) a new Schedule "C" (Program);
- (c) a new Schedule "D" (Budget);
- (d) a new Schedule "E" (Payment Plan); and
- (e) a new Schedule "F" (Reports).

4.2 **Deemed to be Replaced.** If the Province provides a new schedule in accordance with section 4.1, the new schedule shall be deemed to be either Schedule "B" (Program Specific Information), Schedule "C" (Program), Schedule "C" (Budget), Schedule "D" (Payment Plan) or Schedule "D" (Reports), as the case may be, (collectively referred to as "**New Schedules**"), for the period of time to which it relates as provided for in the new schedule.

4.3 **Termination by Recipient.** If the Recipient does not agree with all or any New Schedules, the Recipient may terminate the Agreement immediately by giving Notice to the Province within 30 days of the Province providing the New Schedules.

4.4 **Consequences of Termination by Recipient.** If the Recipient terminates the Agreement pursuant to section 4.3 the Province may take one or more of the actions listed in section A11.2.

5.0 ACKNOWLEDGEMENT

5.1 The Recipient acknowledges that:

- (a) by receiving Funds it may become subject to legislation applicable to organizations that receive funding from the Government of Ontario, including the *Broader Public Sector Accountability Act, 2010* (Ontario), the *Public Sector Salary Disclosure Act, 1996* (Ontario), and the *Auditor General Act* (Ontario);
- (b) Her Majesty the Queen in right of Ontario has issued expenses, perquisites, and procurement directives and guidelines pursuant to the *Broader Public Sector Accountability Act, 2010* (Ontario);
- (c) the Funds are:
 - (i) to assist the Recipient to carry out the Program and not to provide goods or services to the Province;
 - (ii) funding for the purposes of the *Public Sector Salary Disclosure Act, 1996* (Ontario);
- (d) the Province is not responsible for carrying out the Program; and
- (e) the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Province in connection with the Program or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

- SIGNATURE PAGE FOLLOWS -

The Parties have executed the Agreement on the dates set out below.

**HER MAJESTY THE QUEEN IN RIGHT OF
ONTARIO as represented by the Minister of
Education**

Date

Name: Jill Dubrick
Title: Director, Early Years and Child Care Programs
and Service Integration Branch

The Corporation of the County of Grey

Date

Name:
Title:

I have authority to bind the Recipient.

Date

Name:
Title:

I have authority to bind the Recipient.

**SCHEDULE “A”
GENERAL TERMS AND CONDITIONS**

A1.0 INTERPRETATION AND DEFINITIONS

A1.1 **Interpretation.** For the purposes of interpretation:

- (a) words in the singular include the plural and vice-versa;
- (b) words in one gender include all genders;
- (c) the headings do not form part of the Agreement; they are for reference only and will not affect the interpretation of the Agreement;
- (d) any reference to dollars or currency will be in Canadian dollars and currency; and
- (e) “include”, “includes” and “including” denote that the subsequent list is not exhaustive.

A1.2 **Definitions.** In the Agreement, the following terms will have the following meanings:

“2017 Agreement” means the transfer payment agreement entered into between the Province and the Recipient effective January 1, 2017.

“Preliminary 2018 Agreement” means the transfer payment agreement entered into between the Province and the Recipient effective January 1, 2018.

“Agreement” means this agreement entered into between the Province and the Recipient, all of the schedules listed in section 1.1, and any amending agreement entered into pursuant to section 4.1.

“Budget” means the budget attached to the Agreement as Schedule “D”.

“Business Day” means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year’s Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Province has elected to be closed for business.

“Effective Date” means the date set out at the top of the Agreement.

“Event of Default” has the meaning ascribed to it in section A13.1.

“Expiry Date” means the expiry date set out in Schedule “B”.

“Funding Year” means:

- (a) in the case of the first Funding Year, the period commencing on the Effective Date and ending on the following March 31; and
- (b) in the case of Funding Years subsequent to the first Funding Year, the period commencing on April 1 following the end of the previous Funding Year and ending on the following March 31.

“Funds” means the money the Province provides to the Recipient pursuant to the Agreement.

“Indemnified Parties” means Her Majesty the Queen in right of Ontario, Her ministers, agents, appointees, and employees.

“Maximum Funds” means the maximum Funds set out in Schedule “B”.

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

“Notice Period” means the period of time within which the Recipient is required to remedy an Event of Default pursuant to section A13.3(b), and includes any such period or periods of time by which the Province extends that time in accordance with section A13.4.

“Parties” means the Province and the Recipient.

“Party” means either the Province or the Recipient.

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

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

A2.0 REPRESENTATIONS, WARRANTIES, AND COVENANTS

A2.1 General. The Recipient 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; and
- (d) unless otherwise provided for in the Agreement, any information the Recipient provided to the Province in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Recipient provided it and will continue to be true and complete.

A2.2 Execution of Agreement. The Recipient 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.

A2.3 Governance. The Recipient 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 Recipient's organization;
- (b) procedures to enable the Recipient's ongoing effective functioning;
- (c) decision-making mechanisms for the Recipient;
- (d) procedures to enable the Recipient to manage Funds prudently and effectively;
- (e) procedures to enable the Recipient to complete the Program successfully;
- (f) procedures to enable the Recipient 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 Article A7.0; and
- (h) procedures to enable the Recipient to address such other matters as the Recipient considers necessary to enable the Recipient to carry out its obligations under the Agreement.

A2.4 Supporting Proof. Upon the request of the Province, the Recipient will provide the Province with proof of the matters referred to in Article A2.0.

A3.0 TERM OF THE AGREEMENT

A3.1 **Term.** The term of the Agreement will commence on the Effective Date and will expire on the Expiry Date unless terminated earlier pursuant to Article A11.0, Article A12.0, or Article A13.0.

A4.0 FUNDS AND CARRYING OUT THE PROGRAM

A4.1 **Funds Provided.** The Province will:

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

A4.2 **Limitation on Payment of Funds.** Despite section A4.1:

- (a) the Province is not obligated to provide any Funds to the Recipient until the Recipient provides the certificates of insurance or other proof as the Province may request pursuant to section A10.2;
- (b) the Province is not obligated to provide instalments of Funds until it is satisfied with the progress of the Program;
- (c) the Province may adjust the amount of Funds it provides to the Recipient in any Funding Year based upon the Province’s assessment of the information the Recipient provides to the Province pursuant to section A7.1; or
- (d) if, pursuant to the *Financial Administration Act* (Ontario), the Province does not receive the necessary appropriation from the Ontario Legislature for payment under the Agreement, the Province is not obligated to make any such payment, and, as a consequence, the Province may:
 - (i) reduce the amount of Funds and, in consultation with the Recipient, change the Program; or

(ii) terminate the Agreement pursuant to section A12.1.

A4.3 **Use of Funds and Carry Out the Program.** The Recipient will do all of the following:

- (a) carry out the Program in accordance with the Agreement;
- (b) use the Funds only for the purpose of carrying out the Program;
- (c) spend the Funds only in accordance with the Budget;
- (d) not use the Funds to cover any cost that has or will be funded or reimbursed by one or more of any third party, ministry, agency, or organization of the Government of Ontario.

A4.4 **Interest Bearing Account.** If the Province provides Funds before the Recipient's immediate need for the Funds, the Recipient will place the Funds in an interest bearing account in the name of the Recipient at a Canadian financial institution.

A4.5 **Interest.** If the Recipient earns any interest on the Funds, the Province may:

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

A4.6 **Rebates, Credits, and Refunds.** The Ministry will calculate Funds based on the actual costs to the Recipient to carry out the Program, less any costs (including taxes) for which the Recipient has received, will receive, or is eligible to receive, a rebate, credit, or refund.

A5.0 RECIPIENT'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS

A5.1 **Acquisition.** If the Recipient 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* (Ontario), including any procurement directive issued thereunder, to the extent applicable.

A5.2 **Disposal.** The Recipient will not, without the Province'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 "B" at the time of purchase.

A6.0 CONFLICT OF INTEREST

A6.1 **No Conflict of Interest.** The Recipient will carry out the Program and use the Funds without an actual, potential, or perceived conflict of interest.

A6.2 **Conflict of Interest Includes.** For the purposes of Article A6.0, a conflict of interest includes any circumstances where:

- (a) the Recipient; or
- (b) any person who has the capacity to influence the Recipient's decisions, has outside commitments, relationships, or financial interests that could, or could be seen to, interfere with the Recipient's objective, unbiased, and impartial judgment relating to the Program, the use of the Funds, or both.

A6.3 **Disclosure to Province.** The Recipient will:

- (a) disclose to the Province, without delay, any situation that a reasonable person would interpret as an actual, potential, or perceived conflict of interest; and
- (b) comply with any terms and conditions that the Province may prescribe as a result of the disclosure.

A7.0 REPORTS, ACCOUNTING, AND REVIEW

A7.1 **Preparation and Submission.** The Recipient will:

- (a) submit to the Province at the address referred to in section A17.1, all Reports in accordance with the timelines and content requirements as provided for in Schedule "F", or in a form as specified by the Province from time to time;
- (b) submit to the Province at the address referred to in section A17.1, any other reports as may be requested by the Province in accordance with the timelines and content requirements specified by the Province;
- (c) ensure that all Reports and other reports are completed to the satisfaction of the Province; and
- (d) ensure that all Reports and other reports are signed on behalf of the Recipient by an authorized signing officer.

A7.2 **Record Maintenance.** The Recipient 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.

A7.3 **Inspection.** The Province, any authorized representative, or any independent auditor identified by the Province may, at the Province's expense, upon twenty-four hours' Notice to the Recipient and during normal business hours, enter upon the Recipient's premises to review the progress of the Program and the Recipient's allocation and expenditure of the Funds and, for these purposes, the Province, any authorized representative, or any independent auditor identified by the Province may take one or more of the following actions:

- (a) inspect and copy the records and documents referred to in section A7.2;
- (b) remove any copies made pursuant to section A7.3(a) from the Recipient's premises; and
- (c) conduct an audit or investigation of the Recipient in respect of the expenditure of the Funds, the Program, or both.

A7.4 **Disclosure.** To assist in respect of the rights provided for in section A7.3, the Recipient will disclose any information requested by the Province, any authorized representatives, or any independent auditor identified by the Province, and will do so in the form requested by the Province, any authorized representative, or any independent auditor identified by the Province, as the case may be.

A7.5 **No Control of Records.** No provision of the Agreement will be construed so as to give the Province any control whatsoever over the Recipient's records.

A7.6 **Auditor General.** The Province's rights under Article A7.0 are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

A8.0 COMMUNICATIONS REQUIREMENTS

A8.1 **Acknowledge Support.** Unless otherwise directed by the Province, the Recipient will:

- (a) acknowledge the support of the Province for the Program; and

- (b) ensure that the acknowledgement referred to in section A8.1(a) is in a form and manner as directed by the Province.

A8.2 Publication. The Recipient 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 Recipient and do not necessarily reflect those of the Province.

A9.0 INDEMNITY

A9.1 Indemnification. The Recipient will indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages, and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits, or other proceedings, by whomever made, sustained, incurred, brought, or prosecuted, in any way arising out of or in connection with the Program or otherwise in connection with the Agreement, unless solely caused by the negligence or wilful misconduct of the Indemnified Parties.

A10.0 INSURANCE

A10.1 Recipient's Insurance. The Recipient represents, warrants, and covenants that it has, and will maintain, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out a Program similar to the Program would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury, and property damage, to an inclusive limit of not less than the amount provided for in Schedule "B" per occurrence. The insurance policy will include the following:

- (a) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipient's obligations under, or otherwise in connection with, the Agreement;
- (b) a cross-liability clause;
- (c) contractual liability coverage; and
- (d) a 30-day written notice of cancellation.

A10.2 Proof of Insurance. The Recipient will:

- (a) provide to the Province, either:
 - (i) certificates of insurance that confirm the insurance coverage as

provided for in section A10.1; or

(ii) other proof that confirms the insurance coverage as provided for in section A10.1; and

(b) upon the request of the Province, provide to the Province a copy of any insurance policy.

A11.0 TERMINATION ON NOTICE

A11.1 Termination on Notice. The Province or the Recipient may terminate the Agreement at any time without liability, penalty, or costs upon giving at least 30 days' Notice to the other Party.

A11.2 Consequences of Termination on Notice. If either the Province or the Recipient terminates the Agreement pursuant to section A11.1, the Province may take one or more of the following actions:

(a) cancel further instalments of Funds;

(b) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient; and

(c) determine the reasonable costs for the Recipient to wind down the Program, and do either or both of the following:

(i) permit the Recipient to offset such costs against the amount the Recipient owes pursuant to section A11.2(b); and

(ii) subject to section A4.1(a), provide Funds to the Recipient to cover such costs.

A12.0 TERMINATION WHERE NO APPROPRIATION

A12.1 Termination Where No Appropriation. If, as provided for in section A4.2(d), the Province does not receive the necessary appropriation from the Ontario Legislature for any payment the Province is to make pursuant to the Agreement, the Province may terminate the Agreement immediately without liability, penalty, or costs by giving Notice to the Recipient.

A12.2 Consequences of Termination Where No Appropriation. If the Province terminates the Agreement pursuant to section A12.1, the Province may take one or more of the following actions:

(a) cancel further instalments of Funds;

(b) demand from the Recipient the payment of any Funds remaining in the

possession or under the control of the Recipient; and

- (c) determine the reasonable costs for the Recipient to wind down the Program and permit the Recipient to offset such costs against the amount owing pursuant to section A12.2(b).

A12.3 **No Additional Funds.** If, pursuant to section A12.2(c), the Province determines that the costs to wind down the Program exceed the Funds remaining in the possession or under the control of the Recipient, the Province will not provide additional Funds to the Recipient.

A13.0 EVENT OF DEFAULT, CORRECTIVE ACTION, AND TERMINATION FOR DEFAULT

A13.1 **Events of Default.** Each of the following events will constitute an Event of Default:

- (a) in the opinion of the Province, the Recipient 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 section A7.1, Reports or such other reports as may have been requested pursuant to section A7.1(b);
- (b) the Recipient'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 Province provides the Funds;
- (c) the Recipient makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or a creditor makes an application for an order adjudging the Recipient bankrupt, or applies for the appointment of a receiver; or
- (d) the Recipient ceases to operate.

A13.2 **Consequences of Events of Default and Corrective Action.** If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

- (a) initiate any action the Province considers necessary in order to facilitate

- the successful continuation or completion of the Program;
- (b) provide the Recipient with an opportunity to remedy the Event of Default;
- (c) suspend the payment of Funds for such period as the Province determines appropriate;
- (d) reduce the amount of the Funds;
- (e) cancel further instalments of Funds;
- (f) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient;
- (g) demand from the Recipient the payment of an amount equal to any Funds the Recipient used, but did not use in accordance with the Agreement;
- (h) demand from the Recipient the payment of an amount equal to any Funds the Province provided to the Recipient; and
- (i) terminate the Agreement at any time, including immediately, without liability, penalty or costs to the Province upon giving Notice to the Recipient.

A13.3 **Opportunity to Remedy.** If, in accordance with section A13.2(b), the Province provides the Recipient with an opportunity to remedy the Event of Default, the Province will give Notice to the Recipient of:

- (a) the particulars of the Event of Default; and
- (b) the Notice Period.

A13.4 **Recipient not Remediating.** If the Province provided the Recipient with an opportunity to remedy the Event of Default pursuant to section A13.2(b), and:

- (a) the Recipient does not remedy the Event of Default within the Notice Period;
- (b) it becomes apparent to the Province that the Recipient cannot completely remedy the Event of Default within the Notice Period; or
- (c) the Recipient is not proceeding to remedy the Event of Default in a way that is satisfactory to the Province,

the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections A13.2(a), (c), (d), (e), (f), (g), (h), and (i).

A13.5 **When Termination Effective.** Termination under Article A13.0 will take effect as provided for in the Notice.

A14.0 FUNDS AT THE END OF A FUNDING YEAR

A14.1 **Funds at the End of a Funding Year.** Without limiting any rights of the Province under Article A13.0, if the Recipient has not spent all of the Funds allocated for the Funding Year as provided for in the Budget, the Province may take one or both of the following actions:

- (a) demand from the Recipient payment of the unspent Funds; and
- (b) adjust the amount of any further instalments of Funds accordingly.

A15.0 FUNDS UPON EXPIRY

A15.1 **Funds Upon Expiry.** The Recipient will, upon expiry of the Agreement, pay to the Province any Funds remaining in its possession or under its control.

A16.0 DEBT DUE AND PAYMENT

A16.1 **Payment of Overpayment.** If at any time the Province provides Funds in excess of the amount to which the Recipient is entitled under the Agreement, the Province may:

- (a) deduct an amount equal to the excess Funds from any further instalments of Funds; or
- (b) demand that the Recipient pay an amount equal to the excess Funds to the Province.

A16.2 **Debt Due.** If, pursuant to the Agreement:

- (a) the Province demands from the Recipient the payment of any Funds or an amount equal to any Funds; or
- (b) the Recipient owes any Funds or an amount equal to any Funds to the Province, whether or not the Province has demanded their payment,

such Funds or other amount will be deemed to be a debt due and owing to the Province by the Recipient, and the Recipient will pay the amount to the Province immediately, unless the Province directs otherwise.

A16.3 **Interest Rate.** The Province may charge the Recipient interest on any money owing by the Recipient at the then current interest rate charged by the Province

of Ontario on accounts receivable.

A16.4 **Payment of Money to Province.** The Recipient will pay any money owing to the Province by cheque payable to the "Ontario Minister of Finance" and delivered to the Province as provided for in Schedule "B".

A16.5 **Fails to Pay.** Without limiting the application of section 43 of the *Financial Administration Act* (Ontario), if the Recipient fails to pay any amount owing under the Agreement, Her Majesty the Queen in right of Ontario may deduct any unpaid amount from any money payable to the Recipient by Her Majesty the Queen in right of Ontario.

A17.0 NOTICE

A17.1 **Notice in Writing and Addressed.** Notice will be in writing and will be delivered by email, postage-prepaid mail, personal delivery, or fax, and will be addressed to the Province and the Recipient respectively as provided for Schedule "B", or as either Party later designates to the other by Notice.

A17.2 **Notice Given.** Notice will be deemed to have been given:

- (a) in the case of postage-prepaid mail, five Business Days after the Notice is mailed; or
- (b) in the case of email, personal delivery, or fax, one Business Day after the Notice is delivered.

A17.3 **Postal Disruption.** Despite section A17.2(a), in the event of a postal disruption:

- (a) Notice by postage-prepaid mail will not be deemed to be given; and
- (b) the Party giving Notice will give Notice by email, personal delivery, or fax.

A18.0 CONSENT BY PROVINCE AND COMPLIANCE BY RECIPIENT

A18.1 **Consent.** When the Province provides its consent pursuant to the Agreement, it may impose any terms and conditions on such consent and the Recipient will comply with such terms and conditions.

A19.0 SEVERABILITY OF PROVISIONS

A19.1 **Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of the Agreement will not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision will be deemed to be severed.

A20.0 WAIVER

A20.1 **Waiver Request.** Either Party may, in accordance with the Notice provision set out in Article A17.0, ask the other Party to waive an obligation under the Agreement.

A20.2 **Waiver Applies.** Any waiver a Party grants in response to a request made pursuant to section A20.1 will:

- (a) be valid only if the Party granting the waiver provides it in writing; and
- (b) apply only to the specific obligation referred to in the waiver.

A21.0 INDEPENDENT PARTIES

A21.1 **Parties Independent.** The Recipient is not an agent, joint venturer, partner, or employee of the Province, and the Recipient will not represent itself in any way that might be taken by a reasonable person to suggest that it is, or take any actions that could establish or imply such a relationship.

A22.0 ASSIGNMENT OF AGREEMENT OR FUNDS

A22.1 **No Assignment.** The Recipient will not, without the prior written consent of the Province, assign any of its rights or obligations under the Agreement.

A22.2 **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.

A23.0 GOVERNING LAW

A23.1 **Governing Law.** The Agreement and the rights, obligations, and relations of the Parties will be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement will be conducted in the courts of Ontario, which will have exclusive jurisdiction over such proceedings.

A24.0 FURTHER ASSURANCES

A24.1 **Agreement into Effect.** The Recipient will provide such further assurances as the Province may request from time to time with respect to any matter to which the Agreement pertains, and will otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

A25.0 JOINT AND SEVERAL LIABILITY

A25.1 **Joint and Several Liability.** Where the Recipient is comprised of more than one entity, all such entities will be jointly and severally liable to the Province for the fulfillment of the obligations of the Recipient under the Agreement.

A26.0 RIGHTS AND REMEDIES CUMULATIVE

A26.1 **Rights and Remedies Cumulative.** The rights and remedies of the Province under the Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

A27.0 FAILURE TO COMPLY WITH OTHER AGREEMENTS

A27.1 **Other Agreements.** If the Recipient:

- (a) has failed to comply with any term, condition, or obligation under any other agreement with Her Majesty the Queen in right of Ontario or one of Her agencies (a “**Failure**”);
- (b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;
- (c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and
- (d) such Failure is continuing,

the Province may suspend the payment of Funds for such period as the Province determines appropriate.

A28.0 SURVIVAL

A28.1 **Survival.** The following Articles and sections, and all applicable cross-referenced sections and schedules, will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Article 1.0, Article 2.0, Article A1.0 and any other applicable definitions, section A2.1(a), sections A4.2(d), A4.5, section A5.2, section A7.1 (to the extent that the Recipient has not provided the Reports or other reports as may have been requested to the satisfaction of the Province), sections A7.2, A7.3, A7.4, A7.5, A7.6, Article A8.0, Article A9.0, section A11.2, sections A12.2, A12.3, sections A13.1, A13.2(d), (e), (f), (g) and (h), Article A15.0, Article A16.0, Article A17.0, Article A19.0, section A22.2, Article A23.0, Article A25.0, Article A26.0, Article A27.0 and Article A28.0.

- END OF GENERAL TERMS AND CONDITIONS -

SCHEDULE “B”
PROGRAM SPECIFIC INFORMATION

Maximum Funds	\$8,800,778
Expiry Date	December 31, 2022
Amount for the purposes of section A5.2 (Disposal) of Schedule “A”	\$ 1,500,000
Insurance	\$ 2,000,000
Contact information for the purposes of Notice to the Province	<p>Position: Director Programs and Service Integration Branch Early Years and Child Care Division Ministry of Education</p> <p>Address: 24th Floor, Mowat Block, 900 Bay Street, Toronto, Ontario M7A 1L2</p> <p>Fax: 416-314-7836</p> <p>Email: Jill.Dubrick@ontario.ca</p>
Contact information for the purposes of Notice to the Recipient	<p>Position: Director of Social Services</p> <p>Address: The Corporation of the County of Grey 595 - 9th Avenue East, Owen Sound, ON, N4K 3E3</p> <p>Fax: 519-376-5640</p> <p>Email: barb.fedy@grey.ca</p>
Contact information for the senior financial person in the Recipient organization (e.g., CFO, CAO) – to respond as required to requests from the Province related to the Agreement	<p>Position: Chief Administrative Officer</p> <p>Address: 595 - 9th Avenue East, County Administration Building Owen Sound, ON, N4K 3E3</p> <p>Fax: 519-376-8998</p> <p>Email: cao@grey.ca</p>

SCHEDULE “C” PROGRAM

Definitions

In Schedule “C”, the following terms will have the following meanings:

“**Guideline**” means the Ontario Child Care Service Management and Funding Guideline, 2018 for Consolidated Municipal Service Managers and District Social Services Administration Boards published by the Province in 2018.

“**Ontario Works**” means the Ministry of Children, Community and Social Services financial and employment assistance programs governed under the *Ontario Works Act, 1997*.

Background

The province will provide Funds to the Recipient to support the provision of services related to child care centres licensed under the Child Care and Early Years Act, 2014. The Guideline contains more information about the Program and, in some cases where the Agreement provides, elaborates on the Recipient’s requirements in connection with the Funds. Nothing in this Agreement detracts from the Recipient’s obligations under the Child Care and Early Years Act, 2014 or any other legislation and to the extent of a conflict the legislative requirement will govern. The Program is made up of the following parts:

Part C1: Core Service Delivery

Part C2: Special Purpose

Part C3: Wage Enhancement and Home Child Care Enhancement Grants

Part C4: Child Care Expansion Plan

Part C5: The Canada-Ontario Early Learning and Child Care Agreement (ELCC)

Part C6: Fee Stabilization Support

Service Targets

There are service targets tied to each part of the Program to support accountability and facilitate the recovery of Funds where required. There are three service targets associated with the general allocation (i.e. excluding Child Care Expansion Plan and ELCC funding) made up of data elements from three expense categories - Fee Subsidy, Ontario Works and Special Needs Resourcing. There are also targets associated with the Child Care Expansion Plan and Canada-Ontario Early Learning and Child Care Agreement.

PART C1: CORE SERVICE DELIVERY

C1.1 CHILD CARE FEE SUBSIDIES

Purpose

The Recipient will use child care fee subsidies Funds to pay fee subsidies to families. A fee subsidy is financial assistance provided by the Recipient to families towards the cost of licensed child care services, licensed home child care services, camps and authorized recreation programs, third party and school board-operated before and after school programs and non-instructional days.

Fee subsidies for eligible families are subject to the availability of subsidy Funds within the Budget of the Recipient and space availability within a child care program.

Requirements

1. The Recipient will provide fee subsidies for children whose parents are:
 - (a) Eligible for income support under the *Ontario Disability Support Program Act, 1997*;
 - (b) Eligible for income assistance under the *Ontario Works Act, 1997* and employed or participating in employment assistance activities under the *Ontario Works Act, 1997* or both; or
 - (c) Eligible for assistance on the basis of their adjusted income as prescribed by O. Reg. 138/15 made under the *Child Care and Early Years Act, 2014*.
2. The Recipient will provide fee subsidies to families for children younger than 13 years of age.
3. Children with special needs who are already in the child care system or enter the child care system by August 31, 2017 are eligible to receive financial assistance from the Recipient until they reach 18 years of age, provided that they meet other eligibility criteria that are unrelated to age (see Ontario Regulation 138/15).
4. The Recipient will provide fee subsidies for children enrolled in an extended day program as defined in the *Education Act* or licensed child care under the *Child Care and Early Years Act, 2014* with a qualifying ongoing agreement with a school board to provide before and/or after school child care at school sites.
5. The Recipient will determine the amount of the fee subsidy for each family in accordance with the policy statement attached as Appendix B to the Guideline. This requirement also applies to Ontario Works Child Care – Formal and Informal subsidies.
6. The Recipient must comply with Camps and Authorized Recreation Programs set out in section 7 of the Guideline. This requirement also applies to Ontario Works Child Care – Formal and Informal subsidies.

C1.1A ONTARIO WORKS CHILD CARE – FORMAL FEE SUBSIDY

Purpose

The Recipient will use Ontario Works child care subsidy Funds to enable Ontario Works participants to work, or engage in employment assistance activities while their children are being cared for in high quality child care, camps or authorized recreation programs and third party-operated and school board-operated before and after school programs and non-instructional days.

Requirements

1. The Recipient will provide Ontario Works child care subsidies to eligible families to cover the cost of licensed child care or licensed home child care services, camps or children's recreation programs, before and/or after school programs including third party-operated and school board operated, and non-instructional days for children of Ontario Works participants.
2. The Recipient will provide Ontario Works child care subsidy for children whose parents are eligible for income assistance under the *Ontario Works Act, 1997*, who are employed or participating in employment assistance activities under Ontario Works or both.
3. The Recipient will provide Ontario Works child care subsidy for children younger than 13 years of age.
4. Children with special needs who are already in the child care system or enter the child care system by August 31, 2017 are eligible to receive financial assistance until they reach 18 years of age, provided that they meet other eligibility criteria that are unrelated to age (see Ontario Regulation 138/15).

C1.1B ONTARIO WORKS CHILD CARE – INFORMAL FEE SUBSIDY

Purpose

The Recipient will use Ontario Works child care subsidy Funds to enable Ontario Works participants to work or engage in employment assistance activities. Informal child care provides an option for parents when a licensed child care arrangement is not possible due to the client's needs and the availability of service (e.g. need for weekend or overnight care) to meet Ontario Works participation requirements.

Requirements

1. The Recipient will provide Ontario Works child care subsidies to eligible families to cover the cost of informal (unlicensed) child care provided to children of Ontario Works participants. Maximum payment levels are specified under the *Ontario Works Act, 1997* and in the Ontario Works directives.

2. The Recipient will provide Ontario Works child care subsidy to families for children whose parents are eligible for income assistance under the *Ontario Works Act, 1997*, who are employed or participating in employment assistance activities under Ontario Works or both.
3. The Recipient will only provide the Ontario Works child care subsidy for unlicensed child care where a licensed child care arrangement is not possible.
4. The Recipient will provide Ontario Works child care subsidy for children younger than 13 years of age.
5. Children with special needs who are already in the child care system or enter the child care system by August 31, 2017 are eligible to receive financial assistance until they reach 18 years of age, provided that they meet other eligibility criteria that are unrelated to age (see Ontario Regulation 138/15).
6. The Recipient will establish a formal policy, or include language in its existing policy, on the prioritization of licensed child care options and the use of unlicensed child care options for Ontario Works participants effective January 1, 2016. Components of the policies are set out in section 7 of the Guideline.

C1.2 CHILD CARE GENERAL OPERATING

Purpose

The Recipient will use general operating expenses Funds to support the costs of operating licensed child care programs in order to reduce wait times and fees for services, stabilize service levels, and (where funds allow), improve access to high quality affordable early learning and child care services for children and their families. The Recipient may operate child care centres directly or provide Funds to eligible licensed child care centre operators.

Requirements

1. The Recipient will spend the Funds allocated for general operating expenses to:
 - (a) Fund licensed child care centres, home child care agencies and special needs resourcing agencies to support the cost of providing licensed child care services.
 - (b) Support the costs of operating licensed child care programs in order to reduce wait times and fees for services.
 - (c) Stabilize service levels and improve access to high quality affordable early learning and child care services for children and their families.
2. The Recipient will prioritize operating Funds based on the principles in section 7 of the Guideline.
3. The Recipient will enter into an agreement with a licensed child care operator only if the licensee is able to demonstrate that it is able to meet minimum wage

and mandatory benefits requirements without operating funding in order to qualify for funding.

C1.3 PAY EQUITY MEMORANDUM OF SETTLEMENT

Purpose

The Recipient will transfer pay equity Funds to eligible organizations for the purpose of assisting with the cost of implementing proxy pay equity. The *Pay Equity Act* requires employers to make annual adjustments of a minimum of 1 per cent of the previous year's payroll toward proxy pay equity targets until pay equity has been achieved.

Requirements

1. The Recipient will distribute Funds to licensed child care providers and will require the licensees to use the Funds to meet their pay equity obligations. In order to be eligible for Funds under this part, child care programs are required to:
 - (a) Have a proxy order from the Pay Equity Commission;
 - (b) Have posted pay equity plan(s) based on proxy comparisons;
 - (c) Have current and/or outstanding proxy obligations; and
 - (d) Receive funding through CMSMs or DSSABs to provide child care.

C1.4 SPECIAL NEEDS RESOURCING

Purpose

The Recipient will use special needs resourcing Funds to support the inclusion of children with special needs in licensed child care settings, including home child care, camps and authorized recreation programs at no additional cost to parents or guardians. Under the Ontario Regulation 138/15, a "child with special needs" means a child whose cognitive, physical, social, emotional or communicative needs, or whose needs relating to overall development, are of such a nature that additional supports are required for the child.

The Recipient may use special needs resourcing Funds for the provision of staff, equipment, supplies or services for children with special needs. The Recipient will prepare or obtain a current plan of care for each child receiving ongoing special needs resourcing supports that reflects an assessment of needs and preferences.

Requirements

1. The Recipient will provide special needs resourcing to families with children with special needs younger than 13 years of age. Children with special needs who

entered the child care system by August 31, 2017 will be eligible to receive funding and financial assistance until they reach 18 years of age, provided that they meet other eligibility criteria that are unrelated to age (see Ontario Regulation 138/15).

2. The Recipient will support the inclusion of children with special needs in licensed child care settings or in places where a camp or authorized children's recreation program is provided with services that are:
 - (a) Reflective and responsive to individual, family and community strengths and needs;
 - (b) Accountable to the individual, family and community;
 - (c) Sensitive to the social, linguistic and cultural diversity of families;
 - (d) Staffed by individuals with the appropriate range of skills and abilities necessary to respond effectively to the needs of adults, children and their families;
 - (e) Supported based on the individual's assessed needs, preferences and available individual, agency, community and contracted Province resources.
3. The Recipient will support planning and collaboration among community partners to improve seamlessness for families, support transitions between settings and improve service levels.

C1.5 CHILD CARE ADMINISTRATION

Purpose

The Recipient will use child care administration Funds to support administrative costs associated with all types of child care funding.

Requirements

1. The Recipient may spend Funds on allowable expenses as set out in section 7 of the Guideline. The Recipient will ensure that administration expenses represent actual expenses incurred for program administration, and are not expressed solely in terms of a percentage of program expenditures. Eligible expenses, as further detailed in the Guideline are:
 - (a) Staffing
 - (b) Benefits
 - (c) Purchased professional services
 - (d) Accommodation
 - (e) Travel
 - (f) Education and staff training
 - (g) Technology
 - (h) General office expenses

PART C2: SPECIAL PURPOSE

C2.1 CAPACITY BUILDING

Purpose

The Recipient will use capacity building Funds to support professional learning and development opportunities for child care licensees, supervisors, staff and caregivers, home child care visitors, home child care providers and non-profit volunteer board members.

Requirements

1. The Recipient will spend the Funds allocated for capacity building on professional learning opportunities that support:
 - (a) professional learning and development opportunities that align with the *Child Care and Early Years Act, 2014* and regulations and the Province's policy;
 - (b) Program-related professional learning opportunities that align with the views and approaches outlined in *How Does Learning Happen? Ontario's Pedagogy for the Early Years*, available on the Ministry of Education website;
 - (c) high quality child care programs for children younger than 13 years of age that are child-centered in dynamic learning environments;
 - (d) diverse learning experiences that engage children in active, creative and meaningful exploration, play and inquiry;
 - (e) the health, safety and well-being of children; and
 - (f) capacity in child care program business administration.
2. The Recipient may support professional learning and development opportunities directly or may providing capacity building funding to other organizations in accordance with section 8 of the Guideline.
3. The Recipient will only spend Funds on allowable expenses as defined in section 8 of the Guideline.

C2.2 TRANSFORMATION

Purpose

The Recipient will use transformation Funds to support viability and facilitate the transformation of licensed child care programs. The Recipient may spend transformation funding to support one-time business transformation costs for eligible child care licensees that are involved in business transformation activities or require business transformation supports.

Requirements

1. The Recipient will spend the Funds allocated for transformation on business transformation activities meaning:
 - (a) the amalgamation of two or more child care centres in a school or community setting;
 - (b) the relocation of a child care centre to a school or within the community; or,
 - (c) the retrofitting of an existing child care centre to serve younger age groups
2. Allowable expenses for this part of the Program are defined in section 8 of the Guideline.

C2.3 SMALL WATER WORKS

Purpose

The Recipient will use small water works Funds to assist child care licensees with programs located on small water systems with costs associated with testing and system maintenance.

Requirements

1. The Recipient will spend the Funds allocated for small water works on the following expenses for regular ongoing water testing and maintenance: laboratory testing, chemicals, supplies/filters, courier costs, and maintenance of water treatment equipment including replacement UV bulbs and training.
2. Costs related to the purchase and installation of systems and equipment are not eligible.

C2.4 PLAY-BASED MATERIAL AND EQUIPMENT

Purpose

The Recipient will use play-based material and equipment Funds to support the provision of high quality programs for children younger than 13 years of age. The Recipient will support licensed child care centres and home child care agencies to purchase or replace play-based material and equipment.

Requirements

1. The Recipient will spend the Funds allocated for play-based material and equipment on licensed child care centres and home child care agencies.
2. The Recipient will prioritize Funds for licensees who will use it to support children's active exploration and learning through play.

C2.5 REPAIRS AND MAINTENANCE

Purpose

The Recipient will use repairs and maintenance Funds to assist child care licensees in complying with licensing requirements under the *Child Care and Early Years Act, 2014*, as well as health and safety practices, the upkeep of equipment, property repairs and maintenance.

Requirements

1. The Recipient will spend the Funds allocated for repairs and maintenance on licensed child care centres and home child care agencies that have one-time repairs and maintenance expenses related to repairs, minor renovations, furnishings and equipment.

TABLE 1: GENERAL ALLOCATION TARGETS

General Allocation Targets are based on the 2017 Agreement.

Service Targets	Average Monthly Number of Children Served								
	Infants	Toddlers	Preschoolers	Kindergarten	Up to and including K	Up to and including age 12	School-Age	Recreation	Total
Fee Subsidy	41	99	203	146			251	25	765
Special Needs Resourcing					115		0		115
Ontario Works-Formal	1	1	1	2			1		6
Ontario Works- Informal									3
Ontario Works Total									9

Requirements

1. Should the CMSM or DSSAB not meet each of the general allocation targets in the above table by 10% or more and 10 children or more in the aggregate, the Recipient's entitlement to Funds will be reduced by 1% to reflect the underachievement. The Province will process this one-time funding adjustment upon its review of the 2018 Financial Statement Report.

PART C3: WAGE ENHANCEMENT AND HOME CHILD CARE ENHANCEMENT GRANTS

C3.1 WAGE ENHANCEMENT AND HOME CHILD CARE ENHANCEMENT GRANTS

Purpose

The Recipient will use child care wage enhancement and home child care enhancement Funds to close the wage gap between Registered Early Childhood Educators (“RECEs”) working in the publicly funded education system and those in the licensed child care sector. The Recipient will also help to stabilize operations by supporting licensed child care operators’ ability to retain RECEs and non-RECE program staff.

Requirements

1. The Recipient will spend the Funds allocated for wage enhancement on increasing salaries and benefits of eligible program staff working in licensed child care centres and home visitors employed by a home child care agency.
2. The Recipient will spend the Funds allocated for the home child care enhancement grant on increasing the daily rate payments made to licensed home child care providers.
3. To be eligible for wage enhancement funding, child care positions must be categorized as a child care supervisor, RECE, home child care visitor, or otherwise counted toward adult to child ratios under the *Child Care Early Years Act, 2014* and must meet any other eligibility criteria in section 9 of the Guideline.
4. To be eligible for home child care enhancement grant, home child care providers must have an active agreement with a licensed home child care agency and must meet any other eligibility criteria in section 9 of the Guideline.
5. The Recipient will only spend Funds allocated for wage enhancement and home child care enhancement on allowable expenses as defined in section 9 of the Guideline.

C3.2 WAGE ENHANCEMENT/ HOME CHILD CARE ENHANCEMENT GRANT – ADMINISTRATION

Purpose

The Recipient will use wage enhancement and home child care enhancement grant administration Funds to support the Recipient and licensed child care operators administration costs associated with implementing the wage enhancement/home child care enhancement grant.

Requirements

1. The Recipient will spend the Funds allocated for wage enhancement and home child care enhancement grant administration on providing a minimum of 10% of the administration funding to licensed child care operators to support the implementation of the wage enhancement/home child care enhancement grant.
2. The Recipient will only spend Funds on allowable expenses as defined in the Guideline.

PART C4: CHILD CARE EXPANSION PLAN

Purpose

The Recipient will use child care expansion plan (the “plan”) Funds to support increased access to licensed child care for children aged 0-4 years. The plan will support new child care fee subsidies, expand access to affordable licensed child care spaces and reduce fee subsidy waitlists to help families access quality child care.

Requirements

1. The Recipient will spend the Funds allocated for the plan on:
 - (a) fee subsidies for eligible children
 - (b) increased access to licenced child care
2. If these two priorities cannot be met due to local considerations, the Recipient may use this funding to broadly reduce licensed child care fees and increase affordability for children aged 0-4 years old.
3. To be eligible for a fee subsidy under the plan, a child must be 0-4 years old. In determining eligibility, managing and implementing the fee subsidies, the Recipient must comply with the fee subsidy expense requirements in section 7 of the Guideline.

Table 2: Expansion Plan Targets

Year 1 and Year 2 targets are based on Provincial Estimates provided in the 2017 agreement and 2018 preliminary agreement.

	TOTAL
Year 1*	110
Year 2	29
Cumulative Expansion Plan Target to be achieved in 2018	139

* Ongoing funding to continue to support the first year of expansion targets.

Requirements

1. Should the Recipient not meet the Cumulative Expansion Plan Target for Year 1 and Year 2 by 10% or more and 10 children or more in the aggregate, the Recipient's entitlement to Funds will be reduced by 1% to reflect the underachievement of targets. The Province will process this one-time funding adjustment upon its review of the 2018 Financial Statement submission Report.

PART C5: THE CANADA-ONTARIO EARLY LEARNING AND CHILD CARE AGREEMENT

Purpose

The Recipient will use Canada-Ontario Early Learning and Child Care Agreement (ELCC) Funds in accordance with section 4 of the Guidelines for the purpose of supporting the Province's commitments under the ELCC.

ELCC Funds are contingent on the agreement between the Province and Canada which will expire on March 31, 2020 unless terminated earlier by the Province or Canada. The Province will not provide any further ELCC Funds to the Recipient after the expiry or termination of the ELCC.

Background

On June 12, 2017, the ELCC was announced in order to support parents, families and communities across Canada in their efforts to ensure the best possible future for their children. The Province's action plan under the ELCC supports a shared commitment by the Province and the government of Canada to provide investments in early learning and child care to increase quality, accessibility, affordability, flexibility, and inclusivity, with prioritization for children aged 0-6 years old. This funding supports access to licensed child care for approximately 11,200 children.

The ELCC aligns with the plan to create access to licensed child care for children aged 0-4 years old. It also aligns with the expanded duty for district school boards for the provision of before-and-after school programs.

Requirements

1. The Recipient will spend the Funds allocated for the ELCC on:
 - (a) Additional fee subsidies;
 - (b) Increased access to licensed child care; and/or
 - (c) Children aged 0-6; this funding can also be used to create and support new community-based capital retrofit projects.
2. If Recipient cannot meet these priorities due to local considerations, the Recipient may use the Funds to broadly reduce licensed child care fees and increase affordability. The Recipient will demonstrate to the Province that it has attempted to meet the priorities before exploring this option.
3. The Province will recover any Funds not spent on the expenditures prescribed in Section 4 of the Guideline (recovery would occur upon the Province's review of the Financial Statements Report, which is the last financial reporting cycle of the year).

Table 3: Canada-Ontario Early Learning and Child Care Agreement Targets

The Year 2 ELCC Target is based on the 2017 Agreement.

	Year 2*
Minimum ELCC Target to be achieved	68

* The Recipient may choose to carry forward up to 10 per cent (including carry forward for committed capital project(s)) of the 2018 ELCC Funds to be spent by December 31, 2019.

Requirements

1. Should the Recipient not meet the ELCC target by 10% or more and 10 children or more in the aggregate, the Recipient's 2019 ELCC entitlement will be reduced by 1% to reflect the underachievement of ELCC targets. The Province will process this one-time funding adjustment upon its review of the 2019 Financial Statement submission Report.
2. The ministry also requires CMSMs and DSSABs to achieve the service targets established in the 2017 Agreement for ELCC funding by December 31, 2018.
3. Should the Recipient not meet the ELCC target established in the 2017 service agreement by December 31, 2018 by 10% or more and 10 children or more in the aggregate, the Recipient's 2018 ELCC entitlement will be reduced by 1% to reflect the underachievement of the ELCC service target. The Province will process this one-time funding adjustment upon its review of the 2018 Financial Statement submission Report.

PART C6: FEE STABILIZATION SUPPORT

Purpose

The Recipient will use fee stabilization support Funds to support improved wages and compensation for the licensed child care workforce, affordability for families, and to address potential fee increases.

Requirements

1. The Recipient will use the Funds to increase wages and compensation (including vacation and sick leave) for staff in licensed centres and licensed home child care agencies.
2. The Recipient will require licensees receiving fee stabilization support to demonstrate the percentage change in child care fee increases avoided in 2018, as compared to December 31, 2017.

**SCHEDULE "D"
BUDGET**

2018 Calendar Year Allocation

The Corporation of the County of Grey

2018 Child Care Allocation Summary	2018 Allocation	Expansion Plan Year 2
Core Services Delivery Operating Allocation		
Core Services Delivery - 100/0	914,570	76,380
Core Services Delivery - Cost Share Requirement 80/20	3,311,491	N/A
Core Services Delivery - Cost Share Requirement 50/50 - Administration	140,220	N/A
Core Services Delivery	4,366,281	76,380
Special Purpose Operating Allocation		
Language	69,660	1,222
Indigenous	29,778	522
Cost of Living	165,875	2,909
Rural	643,726	11,289
Capacity Building	37,844	650
Repairs and Maintenance	14,106	255
Utilization Adjustment	-	N/A
Capping Adjustment	-	N/A
Total Special Purpose	960,989	16,847
Total Operating Allocation	5,327,270	93,227
Other Allocations		
Small Water Works	12,504	N/A
Territory Without Municipal Organization (TWOMO) - Child Care	-	N/A
Wage Enhancement/Home Child Care Enhancement Grant (HCCEG) ¹	1,126,925	N/A
Wage Enhancement/HCCEG Administration	53,706	N/A
Fee Stabilization Support	291,272	N/A
Expansion Plan Year 1	1,047,702	N/A
Operating Funding for Expansion Plan Capital Spaces	N/A	122,220
ELCC	524,127	N/A
Base Funding for Licensed Home Child Care (LHCC)	201,825	N/A
Total Other Allocations	3,258,061	122,220
Total Child Care Allocation	8,585,331	215,447

¹ Notional allocation pending submission in Revised Estimates.

2018 Early Learning and Child Care Agreement (ELCC) Details	
ELCC Allocation for children aged 0-6 years old - can be spent on operating and capital	\$419,081
ELCC Allocation for children aged 0-12 years old - can be spent on operating	\$105,046

Total 2018 Calendar Year Allocation	\$ 8,800,778
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*Totals may not add due to rounding.

**For the purpose of section A4.2(c) and Article A14, the Funds allocated for a Funding Year are the Funds allocated in the Budget in the Calendar Year Allocation prorated monthly for the months that fall within the Funding Year.

SCHEDULE "D"
BUDGET CONTINUED

Expenditure Benchmarks	General Allocation	Expansion Plan (Year 1+ 2)	ELCC
Child Care Administration - Maximum Allowable Expenditure 10% maximum (For total general allocation: less TWOMO, Wage Enhancement/HCCEG, Wage Enhancement/HCCEG Admin, and Fee Stabilization Support)	\$ 554,160	\$ 126,315	\$ 52,413
Wage Enhancement/HCCEG Administration - Minimum Required Allocation To Be Provided to Operators (10% of total 2018 Wage Enhancement/HCCEG Administration)	\$ 5,371	N/A	N/A
Fee Stabilization Support Administration - Maximum Allowable Expenditure (10% maximum of the Fee Stabilization Support Allocation)	\$ 29,127	N/A	N/A
Special Needs Resourcing - Minimum Required Expenditure 4.1% minimum (For total general allocation: less TWOMO, Wage Enhancement/HCCEG, Wage Enhancement/HCCEG Admin, and Fee Stabilization Support)	\$ 227,206	\$ 51,789	\$ 21,489
ELCC Funding Available for Carry Forward (10% can be spent by December 31, 2019)	N/A	N/A	\$ 52,413
Capacity Building	\$ 37,844	\$ 7,753	\$ 3,570

CMSM/DSSAB Minimum Cost Share Requirement			
Cost Share Requirement (for Total Allocation) - 100/0			-
Cost Share Requirement (for Core Services) - 80/20			827,873
Cost Share Requirement (for Administration) - 50/50			140,220
Total 2018 CMSM/DSSAB Contributions			\$ 968,093
2017 Minimum Cost Share Requirement			975,533
% Change From 2017			-0.8%

**SCHEDULE “E”
PAYMENT**

As identified in the Child Care Guideline, the Province will make monthly payments of Funds to the Recipient in the amount of the percentage of the Total Calendar Year Allocation as set out in the table below.

Payment Month*	Percentage of the Total Calendar Year Allocation** as set out in the Budget
January	8.3%
February	8.3%
March	8.4%
April	8.3%
May	8.3%
June	8.4%
July	8.3%
August	8.3%
September	8.4%
October	8.3%
November	8.3%
December	8.4%

* The Province will automatically adjust the amount of Funds it will pay each month to reflect forecasted or actual under-spending that is reported in Reports.

** If approved, the total amount of capital funding under The Journey Together will be paid to the Recipient following the Province's receipt, and upon the execution of the signed Agreement.

SCHEDULE “F” REPORTS

As referenced in the Guideline, the Recipient must provide the following Reports to the Province as per the following cycle:

Submission Type	Due Date
Agreement	September 27, 2018*
Estimates	Not required for 2018
Revised Estimates	TBD
Financial Statements	May 31, 2019

*Extension requests will be considered should the CMSM or DSSAB not receive municipal council approvals by this date.

Policy for Late Filing

- Policy for late filing of financial submissions, including:
 - Financial reporting (Revised Estimates, Financial Statements)
 - Queries related to financial reporting
 - Financial documentation (audited Financial Statements, Review Engagement Reports)
 - In 2018, the following late filing policy will also apply for signed service agreements, unless an extension has been granted.

- Where a CMSM or DSSAB files its submission after the filing deadline, the Province will take the following action until the submission has been received:
 - If the submission is not received by the Province within 30 days after the filing deadline, the Province will inform the CMSM/DSSAB that the submission is overdue.
 - After 31 days, cash flow will be reduced by 50 per cent of their monthly payment. The Province will work with the CMSM or DSSAB to discuss any challenges with providing the information and to offer support.

- Upon submission of Provincial requirements, the Province will revert back to the normal monthly payment process and will include in the monthly payment the total amount withheld up to that point.

- The Ministry reserves the right to suspend funding (in year or in the subsequent

year(s)). Should a CMSM or DSSAB have any outstanding submissions the Province may exercise its discretion by not providing funding in the subsequent calendar year until the submissions have been received.