

**The Corporation of the City of Cornwall
("Corporation")**

**Service Contract
Schedule "A-2": General Operating Grant**

Service Description Schedule

Organization Name: Name of Child Care Centre
Address

Legislation: *Child Care and Early Years Act, 2014 (CCEYA)*

Service Name: Child Care – General Operating Grant

Service Objectives

The objective of the General Operating funding is 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.

Service Description

Approved Child Care Service Operators have the discretion to use the operating funding for expenses which include, staff wages and benefits (over the mandatory requirements for minimum wage plus mandatory employment related costs), lease and occupancy costs, utilities, administration, transportation for children, resources, nutrition, supplies, and maintenance.

Key considerations that must be supported with the general operating funds by the Child Care Service Operators include; stabilizing child care fees, retaining qualified staff (with priority in supporting front-line staff wages), and supporting quality programming that aligns with *How Does Learning Happen: Ontario's Pedagogy for the Early Years*.

The General Operating funding is subject to the following conditions:

Child Care Service Operators must have a service contract with the Corporation to qualify for funding.

1. Child Care Service Operators are required to demonstrate to the Corporation that they are able to meet their minimum wage and mandatory benefits requirements without operating funding in order to qualify for funding.
2. If a Child Care Service Operator downsizes their licensed capacity during the funding year, they must notify the Corporation immediately and a calculation will be done by the Corporation to determine the amount of General Operating funding to be returned to the Corporation.
3. Child Care Service Operators must have prior written approval by the City of Cornwall Child Care Division in order to increase licensed capacity.
4. General Operating funding will be managed by the Child Care Service Operator as "site specific" for centre based programs that operate full time child care programs with more than one site. The closure of a site does not permit the General Operating funding to be re-distributed to another site/location.
5. In the event that a Child Care Service Operator of a child care program sells to another, the existing general operating funding is to be returned to the Corporation.
6. Child Care Service Operators who have chosen to participate in the City of Cornwall Child Care Affordability Pilot Program will receive additional general operating funds to be used in accordance with the requirements of the pilot program as communicated to the Service Operator. The continuation of the affordability pilot program beyond November 2019 is dependant on available funding.
7. Child Care Service Operators are subject to review and/or audit upon the Corporations' request and must provide such information as deemed necessary by the Corporation.
8. General Operating funds not utilized in accordance with the conditions outlined above shall be returned to the Corporation.
9. Failure to comply with any of the funding conditions herein may result in a claim for the recovery of the General Operating funding as well as ineligibility to receive future funds under the General Operating program.
10. In the event that there are changes with respect to General Operating funding this schedule will be amended and signed by all parties

accordingly.

11. Child Care Service Operators agree to abide by policies and procedures as outlined in the Business Practice Guidelines for Child Care Service Operators.

Inadmissible Expenses

The following expenses are considered inadmissible:

- Bonuses (including retiring bonuses), gifts and honoraria paid to staff are inadmissible expenses except for in the case that they are provided as a retroactive wage increase that will be maintained the following year;
- Debt costs including principal and interest payments related to capital loans, mortgage financing, and operating loans;
- Property taxes;
- Non-arm's length transactions not transacted at fair market value.
- Fees paid on behalf of staff for membership in professional organizations such as the College of Early Childhood Educators are inadmissible expenditures; and,
- Any other expenditure not listed under the allowable expenses section.

Accountability

1. Child Care Service Operators, by means of a special purpose report, will reconcile the general operating funds against actual expenditures. The special purpose report requires a third-party review engagement to verify that the general operating grant has been used for the purpose intended (refer to the General Operating Grant Summary (GOG) spreadsheet provided by the City of Cornwall). Child Care Service Operators shall submit separate audited financial statements where the funding is \$20,000 or greater.
2. Child Care Service Operators will provide the Corporation with licensing updates for all sites, including renewals, revisions and new licenses as they occur.

In witness whereof this contract has been signed by an authorized Corporate official on behalf of the Corporation and the Child Care Service Operator by its proper signing officers.

Signed, sealed and delivered

On the _____ day of _____, 2020

On behalf of the Corporation
Bernadette Clement
Mayor

On behalf of the Corporation
Manon Levesque
City Clerk

Child Care Service Operator: Name of Child Care Service Operator

Witness*

By: Signing Officer **

Position:

(Seal)

Witness *

By: Signing Officer**

Position:

* Witness required where the Child Care Service Operator is a sole proprietor or partner in a partnership. Not required when corporate seal is affixed.

** I have the authority to bind the Corporation