



# Child Care Operating Funding Program Changes & Fee Reduction Initiative – FAQs

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April 16, 2018

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## April 16, 2018 – New and Revised Questions

- **Updated to include more detail:** #3, #5, #7, #8, #11, #12, #13, #22, #23, #28, #30, #31, #32, #34, #35, #41, #42, #43, #48, #56, #58, #59, #64, #65, #66
- **New Questions:** #24, #25, #29, #40, #49, #50, #51, #52, #53, 54, #62, #67

## For Parents

### 1. How can I receive this benefit? Do I have to apply for one of the reduced cost spaces?

Parents do not need to apply in order to receive the new child care fee reduction. Beginning in April 2018, parents with children attending licensed group and family care “Under 36 months” and/or “3 years to Kindergarten” (including In-Home Multi-Age Care) may receive fee reductions through enhanced funding that the Ministry of Children and Family Development (ministry) will give to child care providers.

Parents do not have to enrol or apply in order to receive the reduced fees. If your licensed child care provider has chosen to opt in and has been approved to participate in the initiative, your provider will reduce your child care fees.

### 2. How will I know if my provider has chosen to opt in and has been approved?

Licensed child care providers are required to inform families with children in their care that their facility has been approved to opt in to the child care fee reduction initiative. Providers were invited to apply for the initiative in March 2018 when they renewed their annual operating funding agreement; however, providers may choose to apply to opt in at any time in 2018/19.

If your child care provider has not informed you that they are taking part in the initiative, you can ask them if they plan to participate. You can also check the ministry website in April 2018 for a list of participating providers.

### 3. My provider has been approved to opt in. When will my fees go down, and by how much? *Updated April 16, 2018*

Providers that apply to opt in to the new initiative by April 20, 2018 and are approved to participate will begin receiving enhanced funding effective April 2018, at which point they will be contractually required to reduce their parent fees by the prescribed amounts outlined below.

Providers approved to opt in after April 20 will begin receiving enhanced funding on the first day of the following month, at which point they will be contractually required to reduce their parent fees.

The fee reduction amounts are prescribed by the B.C. government and are based on the type of care and full-time enrolment (part-time enrolments will receive a pro-rated amount). Providers who are participating in the initiative will reduce their fees by:

- \$350/month – Group infant/toddler (under 36 months) care
- \$200/month – Family infant/toddler (under 36 months) care
- \$100/month – Group child care for 3 years to Kindergarten
- \$60/month – Family child care for 3 years to Kindergarten.

**4. What if my licensed child care provider tried to opt in, but was not approved to participate?**

The child care fee reduction initiative is intended to support families by lowering their monthly child care fees. In order to ensure the enhanced funding that the government provides under this initiative is passed on to parents as intended, the ministry will review each provider's application to opt in to ensure eligibility. This includes the provider's historical, current and planned monthly fees in order to ensure the intended benefit for parents is not unreasonably diluted through fee increases.

In the event a provider proposes a fee increase (or has increased their fees in the seven months prior to enrolment in the child care fee reduction initiative) by higher than expected norms – based on each provider's fee history – the provider may be deemed ineligible to participate, as the enhanced funding will not be passed on to parents as intended.

**5. What should I do if my child care provider is on the ministry's online list of participating facilities, but my fees haven't been reduced, or haven't been reduced enough? *Updated April 16, 2018***

If your child care provider is enrolled in the child care fee reduction initiative, they will calculate the amount by which your fees will be reduced. The ministry encourages parents and providers to discuss the fee reduction and how it works. If you are concerned that your child care fees haven't been reduced by the prescribed amount, please speak to your child care provider to ask how your fee was calculated. If it doesn't make sense or if your provider is unsure, you can contact the ministry for assistance at 1-888-338-6622 (select Option 2).

It's important to note that if your child attends child care on a part-time basis, your monthly savings will be pro-rated; the ministry has provided child care operators with a calculator that will determine the amount by which part-time parent fees should be reduced.

**6. What happens if my provider chooses to raise their fees after they enrol?**

Child care providers establish their respective fee schedules based on the costs associated with running their facility.

As part of their application to opt in to the initiative, child care providers must declare their fee schedules for the duration of the contract, up to March 31, 2019. As a condition of enrolment in the child care fee reduction initiative, providers are required to receive ministry approval for any fee increases expected to occur before April 1, 2019.

There may be extraordinary circumstances under which it is reasonable and necessary for the provider to increase parent fees. If a provider is enrolled in the child care fee reduction initiative, but encounters a situation where the prohibition on parent fee increases – beyond those approved in the provider's 2018/19 fee schedule – would cause

the provider, parent or other party undue hardship, the Province may, at its discretion, permit the provider to increase parent fees while remaining enrolled in the initiative.

**7. I receive Child Care Subsidy, and my child care provider has decided to opt in to the child care fee reduction initiative. Do I need to contact the ministry to report a change in my child care fees? *Updated April 16, 2018***

Yes, both providers and parents are required to report the actual cost of the space to the parent, less any parent fee reduction – if applicable – to the Child Care Subsidy Program. Providers and Parents can call the Child Care Subsidy Service Center at 1-888-338-6622 (select Option 1) or submit a new Child Care Subsidy Child Care Arrangement form to indicate the new child care fee.

**8. Will my Child Care Subsidy Benefit Plan be affected if my provider is approved to opt in? *Updated April 16, 2018***

Parents receiving Child Care Subsidy will continue to be eligible for their benefits. The only circumstance in which their subsidy benefits may be affected is if their new reduced parent fee is less than their subsidy allowance.

E.g. the maximum Child Care Subsidy benefit for a child under 36 months in a licensed group facility is \$750/month. If the parent fee for a full-time space was \$1,000/month, the cost to the parent receiving the maximum subsidy benefit would be \$250/month.

If the provider was approved to opt in to the new fee reduction initiative, the maximum fee reduction for full-time enrolment in licensed group care of \$350/month would result in a new parent fee of \$650/month. To avoid an overpayment, the subsidy benefit would need to be reduced by \$100/month in this example. The monthly cost to the parent receiving subsidy benefits in this example would now be reduced from \$250/month to \$0/month.

**Monthly Costs: Subsidy + Fee Reduction for child under 36 months old**

Examples	Total Cost of Space	Fee Reduction	Eligible Child Care Subsidy Amount	Cost to Parent
Before Fee Reduction	\$1,000	\$0	\$750	\$250
After Fee Reduction	\$1,000	\$350	\$650*	\$0

\*Child Care Subsidy is capped at the lesser of the maximum amount per care type or the parent fees. Though the max Child Care Subsidy is still \$750/month, the new parent fee is \$650 after the Fee Reduction.

**9. Are there tax implications for parents related to this funding?**

The ministry will make child care fee reduction initiative payments directly to child care facilities – as such, they do not need to be reported on a parent’s income tax return. As always, the portion of child care costs that parents pay may be eligible for the Child Care Expenses Deduction on an income tax return.

Please consult with the Canada Revenue Agency regarding the details of your individual income tax return.

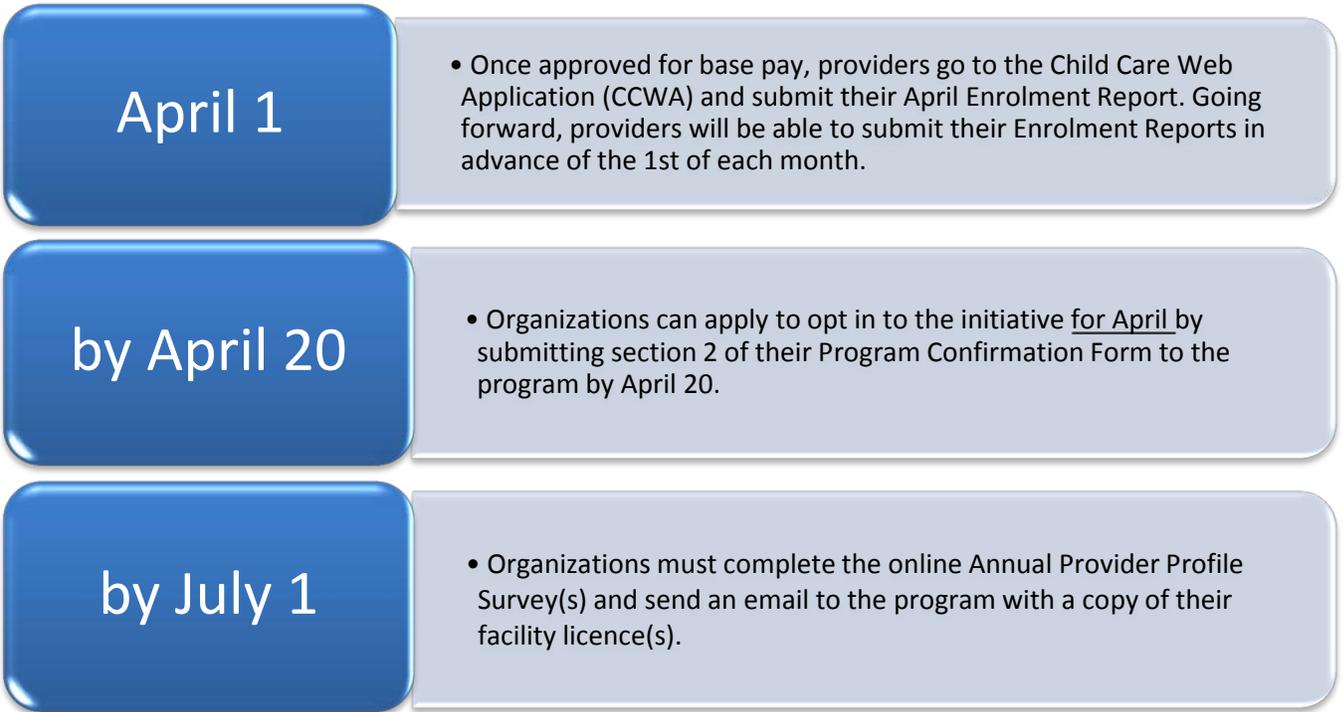
# For Providers

## Child Care Operating Funding Program Changes

### 10. How do I renew my 2018/19 Funding Agreement? *Updated April 16, 2018*

This year, the renewal process is moving to a simplified e-mail process. Providers received an email in mid-March 2018 with their Funding Agreement and an online form.

Here is the timeline for a provider with no program changes, who received CCOF in 2017/18 and who receives their funding through electronic funds transfer:



**11. Do I still need to sign a copy of my Funding Agreement and mail it to the program?**  
*Updated April 16, 2018*

The Funding Agreement no longer needs to be printed and signed.

For 2018/19, each organization's Authorized Signatory will receive an e-mail with the Funding Agreement and a Program Confirmation form. If submitted by March 27, the program expedited the review process so that providers will be able to submit their April 2018 enrolment on April 1, 2018 for their base funding and – if approved – for the child care fee reduction initiative.

For base CCOF, organizations have 30 days from when they receive their Funding Agreement to renew.

Organizations can still apply to opt in to the fee reduction initiative for April by submitting section two of their Program Confirmation form by [April 20](#), or they can apply to opt in at any time during the contract term. However, fee reductions and the 10% operating funding lift retroactive to April 1 apply only to those approved applications received on or before April 20, 2018.

The Program Confirmation form must be completed and emailed to the CCOF program, which confirms the organization's acknowledgement and agreement to the terms and conditions of their Funding Agreement.

**12. When will I receive payments, especially if I am approved to opt in to the new child care fee reduction initiative?** *Updated April 16, 2018*

For 2018/19, providers will be able to submit Enrolment Reports before the beginning of each month in order to receive base funding and any approved opt in funding before or by the beginning of each month.

Providers who apply to opt in to the initiative by April 20 will receive their additional funding once their application has been approved.

For all other months in the 2018/19 contract term – from May 2018 until March 2019 – providers will be able to submit their Enrolment Reports beginning the 20<sup>th</sup> of the previous calendar month in order to receive their funding by the first of the coming month (e.g. organizations can submit their May Enrolment Reports beginning on April 20).

**13. I fax my Enrolment Reports because I have multiple facilities in my organization. How do I submit online reports when I have more than one facility?**

Organizations with multiple facilities will now be able to sign up for multiple BCeIDs so that each facility within an organization can submit a separate Enrolment Report. The funding will continue to be paid to the organization, with the facility payments detailed in the payment statement. To sign-up for additional BCeIDs, please visit: [www.bceid.ca](http://www.bceid.ca).

**14. When and how do I submit a copy of my facility licence?**

Organizations have until July 1, 2018 to email a copy of their facility licence to the program email address at: [mcf.ccof@gov.bc.ca](mailto:mcf.ccof@gov.bc.ca).

**15. How do I speed up receiving my payment?**

There are two processes that will help providers to receive their payments faster:

First, providers will be required to submit their 2018/19 monthly Enrolment Reports through the Child Care Web Application (CCWA) on the program webpage. Faxed paper reports will no longer be accepted in the coming months.

To sign up for the CCWA:

1. Register for a Business BCeID account if you do not already have one by visiting [www.bceid.ca](http://www.bceid.ca). Sole Proprietors or General Partnerships can receive a BCeID within 48 hours by visiting a Service BC or other Approved Location. Corporations or Societies may receive a BCeID within two weeks.
2. Once you have your BCeID, contact the CCOF program to register for access to CCWA. This process takes up to one business day.

Second, providers will be required to receive payments through electronic funds transfer (EFT), which will enable shorter payment timelines. Paper cheques will no longer be issued in the coming months. Payments will be deposited within one to three business days. Please visit the program webpage to complete an EFT application.

**16. In the past, I have not received funding until I complete the annual Provider Profile Survey. Has the timeline changed?**

Organizations have until July 1, 2018 to complete their Provider Profile Survey, which will be available shortly at: [www.gov.bc.ca/childcareprovidersurvey](http://www.gov.bc.ca/childcareprovidersurvey). Organizations will receive the survey via email.

**17. Has the process changed if I need to amend my licence service details within the term of the Funding Agreement?**

The process for changing service details has also moved online. Providers can complete the Funding Agreement [Change Notification form](#) on the [program web page](#), and email it to the program. A modified Schedule A will be emailed to the organization.

# Child Care Fee Reduction Initiative

## Easy Application Process

### 18. How do I apply?

Providers received their 2018/19 Funding Agreement in March 2018, and may apply to opt in to participate in the new child care fee reduction initiative at any time during the contract term. New providers will be able to apply to opt in when they first apply for CCOF.

### 19. What are the requirements to apply for the child care fee reduction initiative?

Licensed Group and Family providers (including In-Home Multi-Age Care providers) that are already receiving CCOF and are providing care for children in the “Under 36 months” and/or aged “3 years to Kindergarten” CCOF category may apply for the initiative.

These providers will be asked to confirm their parent fees for each type of care (from September 1, 2017 through to April 1, 2018) and confirm any planned parent-fee increases for the duration of the contract term (up to March 31, 2019).

### 20. What do I have to agree to if I choose to opt in and am approved?

Upon approval to participate in the child care fee reduction initiative, a licensed child care facility must:

- Have children in the “Under 36 months” and/or in the “3 years to Kindergarten” CCOF category who are continuously enrolled at the contractor’s facility.
- Decrease parent fees for each child enrolled in the “Under 36 months” and/or the “3 years to Kindergarten” CCOF category by an amount equal to the child care fee reduction payment that the provider receives for each child in that category.
- Not increase the parent fees for children enrolled in the “Under 36 months” and/or “the 3 years to Kindergarten” CCOF category beyond what the ministry approves in their 2018/19 fee schedule, subject to any approved extraordinary circumstances.

### 21. What happens if I don’t apply to opt in to the initiative? Will my CCOF funding be cut in the future? *Updated April 16, 2018*

Participation in the child care fee reduction initiative is optional, and providers can choose to apply to opt-in at any time during the 2018/19 contract term. However, the ministry encourages providers to opt in, as the initiative provides funding to help licensed providers reduce their parent fees, which will help to keep their program competitive with other programs in their community, while also supporting the families in their programs by providing them with a break in their monthly child care costs.

If an eligible licensed provider chooses not to enrol in this voluntary initiative, they will remain eligible for their base Child Care Operating Funding rates; however, they will not be eligible for the 10% increase on top of their current CCOF base funding for spaces for children “Under 36 months” and aged “3 years to Kindergarten.”

**22. What happens if I choose to apply later on in the 2018/19 funding term? *Updated April 16, 2018***

Licensed providers who do not apply to enrol in the child care fee reduction initiative by April 20, 2018 may apply to participate at any time during the 2018/19 contract term by contacting the CCOF Program.

However, the enhanced funding provided through the child care fee reduction initiative is not retroactive to April 1 after April 20. A provider’s enhanced funding will begin on the first day of the month following receipt of the application, and only after the ministry has approved their participation in the initiative in writing.

**23. I’ve applied to opt-in but haven’t heard if I’ve been accepted into the initiative yet. When will I know if I’ve been approved? *New question***

Ministry staff are busy reviewing opt-in applications received and we appreciate provider’s interest in the program. Applications received on or before March 27 are currently under final review. Assuming a child care provider’s application is complete and the ministry has received all requested information, you will be advised on or before April 20th of the outcome of your application.

If you applied after March 27, the ministry will continue to review applications in the order they were received, and the ministry will advise facilities of their status as soon as possible.

**24. I’ve applied to opt in, but I haven’t heard if I’ve been accepted in to the initiative yet. When can I start passing savings on to families? *New question***

If a provider has not yet received confirmation they have been approved to participate in the initiative, the ministry recommends the provider continue to charge regular fees for their parents until they receive formal confirmation from the ministry.

We are happy to answer any questions providers may have directly by calling 1-888-338-6622 (Option 2) or emailing [mcf.ccof@gov.bc.ca](mailto:mcf.ccof@gov.bc.ca)<<mailto:mcf.ccof@gov.bc.ca>>

## Simple Eligibility and Assessment

### 25. How is the ministry evaluating whether or not my facility will be approved for the initiative?

At the time of their application, providers will be required to confirm:

- Their parent fees for each type of care from September 1, 2017 through to April 1, 2018 (including indicating any periods of non-statutory closures in which full-time fees for full-time enrolment were charged).
- Any planned parent fee increases for the duration of the contract term (up to March 31, 2019).
- Any planned non-statutory periods of closure over the duration of the contract term (up to March 31, 2019) during which parents were charged full-time monthly fees for full-time enrolment.

The ministry will review each provider's application and assess in one of three scenarios:

Scenario	Ministry Action
1. Provider has implemented no fee increase(s) over the past 7 months and does not plan to increase fees over the course of the contract term	Ministry will approve the provider to enrol in the initiative
2. Provider has implemented fee increase(s) over the past 7 months, or plans to implement a fee increase over the course of the contract term, and the increase(s) are similar to the provider's historical fee increases	Ministry will review the fee increase(s) and may request further documentation from the provider to determine eligibility
3. Provider has implemented fee increase(s) over past 7 months, or plans to implement a fee increase over the course of the contract term, which is not similar to that provider's historical fee increases	Ministry will review the fee increase(s) and will request further documentation from the provider to determine: <ul style="list-style-type: none"> <li>- If the provider's fees are in line with other provider fees in the area</li> <li>- If the fee increase is due to genuine, unexpected expenses</li> </ul>

### 26. If I believe my facility will fall into the 2<sup>nd</sup> or 3<sup>rd</sup> scenario, can I supply the program with supporting documents right away to speed up my application?

Each facility will be assessed at the time of application, and the ministry will review each application to determine if supporting documentation is required.

Providers will have the opportunity to provide comments within the Program Confirmation form when they declare their fee schedules. The ministry will contact those providers if further information is needed.

**27. How will the ministry determine if my fee increases are “reasonable”? *Updated April 16, 2018***

The ministry understands child care fees across the province vary. Providers with recent or planned fee increase(s) that are outside of the historical fee pattern for their facility and are higher than the regional median range of fees for their area/community will have those proposed fee increase(s) reviewed by the ministry. This is to ensure the funds government is providing to reduce fees for parents aren't unreasonably offset or diluted by fee increases. All providers – regardless of their established monthly fees – are encouraged to apply.

In the event that recent and/or planned increases don't align with a facility's historical fee increases, the ministry will take the following two steps:

1. Compare the provider's fees with the range of median fees charged by other providers (of the same care type) in the Service Delivery Area (a map for which can be found on page 2 of the document available [here](#)).
2. Investigate to determine if the fee increases were due to a bona fide expense (e.g. unplanned and/or beyond the provider's control), such as a sudden and unexpected increase in operational expenses; loss of revenue routinely received from a source other than parent fees or government funding; or an unexpected increase/pressure outside of the control of the provider that impacts the facility's ability to remain operational.

**28. How are regional median fee ranges used and calculated? *New Question***

In the event a provider indicates a recent or planned fee increase on their Program Confirmation form, the Ministry will first assess to determine if the fee increase(s) align with their historical fee pattern (see Adjudication Scenario #2 in Question 24). In the event the recent and/or proposed increase(s) do not align, the next step in the assessment process compares the provider's parent fee(s) – that is, their fees plus the recent/planned increase(s) – against the range of median fees charged by similar providers located in the same Service Delivery Area.

The range of median fees in a Service Delivery Area comes from the monthly fees reported in the Annual Provider Profile Survey. The range captures the 80<sup>th</sup> percentile annual rates for Group providers, and the 65<sup>th</sup> percentile annual rates for Family providers in consideration that fee schedules and the contact term reflect a period of time and the range of fees within each region.. Due to the higher variability in Family monthly fees, a lower percentile was necessary for Family facilities to ensure the ranges for Group and Family were relatively comparable.

**29. By how much will providers approved to opt in be allowed to raise their fees? Is there a percentage increase cap that the ministry will be mandating? *Updated April 16, 2018***

The Program Confirmation form requests information on any recent and/or planned fee increases in order to determine if the intended benefit is being unreasonably diluted through fee increases. The ministry is not introducing a percentage cap on increases.

In the event a provider has recently raised, or plans to raise fees that are above their historical fee patterns, and the provider's fees are also above the regional median range of monthly fees, the ministry will request documentation to understand the nature of the fee increase.

**30. In order to apply to opt in, I am required to submit my monthly fees for the next twelve months. How can I anticipate costs for the next year? *Updated April 16, 2018***

Your 2018/19 fee schedule should reflect any planned fee increases that you anticipate over the course of your 2018/19 contract term, to the best of your knowledge at the time of your application.

The ministry recognizes that some providers approved to opt in may subsequently experience extraordinary circumstances, under which it is reasonable and necessary to raise monthly fees over the course of the contract term beyond those stated and approved by the ministry prior to enrolment in the initiative.

In order to ensure the provider or other relevant party does not experience undue hardship, the ministry may permit the provider to increase parent fees while staying enrolled. In such circumstances, the ministry has the discretion to approve or reject the proposed parent-fee increase or stipulate an alternative acceptable amount for such increase.

Providers are not permitted to increase fees beyond those stated in their 2018/19 approved fee schedule and still receive opt-in payments without the ministry's prior written approval. The ministry will consider a provider's request for such increases on a case-by-case basis, taking into consideration the unique circumstances of the provider and the amount of the proposed parent-fee increase.

**31. I'm planning to increase my fees in order to support a wage increase for my staff. Will this impact my eligibility? *Updated April 16, 2018***

An appropriately compensated workforce is essential to a quality early care and learning system, however, the intent of the child care fee reduction initiative is to provide immediate relief to families through reduced monthly fees.

Government's long-term vision is to create an ECE workforce that is well-trained, adequately compensated, and supported to deliver quality early care and learning for all our children. Government is currently working with the sector to develop a comprehensive workforce development strategy to achieve the 10-year vision for child care. This includes a labour market review current underway in partnership with the Public Sector Employers' Council to identify the human resource strategies required to attract and retain skilled and experienced ECEs and other child care providers, including

consideration of appropriate remuneration. We'll have more to say on government's strategies in this area in the months to come.

**32. What happens if I am approved to opt in and fail to reduce monthly fees as per my CCOF 2018/19 contract (e.g. what are the penalties)?**

If a provider is approved to participate in the child care fee reduction initiative and fails to reduce parent fees by the prescribed amount(s), the provider will no longer be eligible for the initiative.

Any enhanced funding (including the parent-fee portion and the 10% administrative top-up) that the provider has received will be considered an overpayment. The provider will be liable, under the terms of their contract, to pay the Province an amount equal to two times the amount of that overpayment.

Additionally, if a provider supplies the Province with information that is false or misleading in order to obtain enhanced funding under the child care fee reduction initiative, the provider will be subject to penalties under the *Child Care BC Act*.

**33. If I am approved to opt in, am I able to opt-out at a later date? *Updated April 16, 2018***

The intent of the initiative is to support families by reducing parent fees and to stabilize child care fees for parents in general.

If a provider is approved to enroll in the program and then later chooses to opt out, parents would likely experience increased fees. To avoid parents experiencing the unpredictability of fluctuating fees, providers will be required to remain enrolled in the initiative for the duration of their Funding Agreement (one year), subject to the provider continuing to meet the eligibility conditions as described in their Funding Agreement.

The Funding Agreement also includes standard language in provincial contracts to allow either party to terminate the agreement. Section 9.4, the 30-day termination clause, applies to the entire CCOF funding agreement.

As such, if a provider chooses to stop receiving CCOF base payments, that is one of the eligibility requirements of the CCFRI. If a provider chooses to terminate their funding agreement for CCOF with the Province then there would be no penalties for ceasing to participate in the CCFRI as they would no longer be eligible to participate.

**34. If I don't raise my fees for the 2018/19 contract term, and then need to raise my fees effective April 1, 2019, will this impact my eligibility in 2019/20? *Updated April 16, 2018***

If you are approved to enrol in the child care fee reduction initiative and agree to the terms and conditions of the contract for the 2018/19 term, you will be re-invited to enrol in the initiative for 2019/20. At that time, your 2019/20 fee schedule will be assessed in a similar manner as in Year 1 of the initiative (2018/19).

As in 2018/19, providers will be approved to opt in to the initiative in 2019/20 if any fee increases that they implement align with their historical fee increases. If a provider implements a fee increase that is not in line with that provider's historical fee increases and the provider is unable to justify the fee increase, that provider will not be approved to participate in the initiative for the 2019/20 contract term.

For the 2018/19 contract term, participating providers will receive a 10% administrative top up in addition to their base CCOF funding for each of the spaces they have enrolled in the initiative. They can use this funding to cover administrative and other costs they may incur. The ministry will increase the amount of administrative top up in Years 2 and 3 in recognition of inflationary pressures.

**35. If I choose not to opt in or become ineligible during the 2018/19 contract term, how will this impact my eligibility for next year?**

If a provider has not opted in for 2018/19 or has become ineligible during the contract term and wants to enrol in 2019/20, the ministry will review the reasons why the provider became ineligible or chose not to participate prior to approving the provider's application to enrol in the 2019/20 initiative.

**36. If my facility is not approved for the initiative – what can I do?**

If you do not agree with the assessment of your facility's eligibility for the initiative, you may request a review of the decision by calling the CCOF Program or by emailing [mcf.ccof@gov.bc.ca](mailto:mcf.ccof@gov.bc.ca).

## Stable Monthly Payments

### **37. I have been approved to opt in – what funding will I get? Do I have to transfer all the funding to parents through reduced fees, or can I keep a portion to improve my program?**

Participating providers will receive two types of funding on top of their base CCOF payments:

- A Parent Fee Reduction Payment – based on prescribed fee reduction amounts that are paid directly to facilities to lower parent fees. This funding must be passed on to families in the form of monthly fee reductions.
- An Administrative Top-up Payment – an additional 10% of a provider’s CCOF base rates for those spaces approved under the initiative in the “Under 36 months” and/or “3 years to Kindergarten” categories. Providers can use the top-up amount to address inflationary cost pressures and any increased administrative costs associated with decreasing fees for parents.

### **38. Does the 10% lift apply to all licensed spaces, or only for the spaces eligible for the child care fee reduction?**

The 10% increase will be calculated based on the portion of spaces eligible for funding through the child care fee reduction initiative, specifically the “Under 36 months” and “3 years to Kindergarten” CCOF Enrolment Report categories.

### **39. CCOF is based on daily enrolments, so my monthly payments fluctuate based on the number of days my facility is open in a given month. Will the funding I receive to reduce parent fees fluctuate on a monthly basis? *New Question***

The intent of the child care fee reduction initiative is to reduce parent fees by a stable monthly amount. The Parent Fee Reduction Payment you receive will consistently cover the amounts by which you are required to reduce parent fees for both full and part-time enrolments as these payments are based on adjusted daily rates that account for the varied number of business days in a given month. The Administrative Top-up Payment will fluctuate, similar to base CCOF payments, as this funding is not based on the adjusted daily rates.

Opt-in funding will be paid based on your monthly Enrolment Reports, in conjunction with the closure information you provide on the Program Confirmation Form. Providers will not need to supplement the funding they receive from government in order to offer the fee reduction.

### **40. I’ve been approved to opt in – how much do I have to reduce my fees by? *Updated April 16, 2018***

Providers must reduce their fees for **full-time enrolments** by the amounts prescribed as follows:

- Group infant/toddler (under 36 months) care – \$350/month

- Family infant/toddler (under 36 months) care – \$200/month
- Group child care for 3 years to Kindergarten – \$100/month
- Family child care for 3 years to Kindergarten – \$60/month.

For **less than full-time (part-time) enrolments** that are consistent month to month, providers must reduce parent fees by a monthly pro-rated amount. For inconsistent enrolments, providers must reduce each parent fee using a daily pro-rated fee. If a child’s enrolment is not consistent month to month, the parent fee reduction amount that providers reduce parent fees by will change month to month.

Full details regarding how to calculate full- and part-time fee reductions are outlined in the revised Schedule C of the 2018/19 Funding Agreement. Providers can also use the Child Care Fee Reduction Calculator, which was sent to providers via email on March 27.

**41. How will the Parent Fee Reduction Payment be calculated for full-time spaces? *Updated April 16th, 2018***

For the purposes of administering the CCOF program and the child care fee reduction initiative, full-time enrolment is defined as more than four hours of care per day on all weekdays, not including statutory holidays, in a given month.

The Parent Fee Reduction Payment for full-time spaces will be calculated based on the total number of children in the “Under 36 months” and/or “3 years to Kindergarten” categories on your monthly Enrolment Report.

To calculate the Parent Fee Reduction Payment each month, the Province will multiply the current totals reported on the Enrolment Report with the appropriate rate corresponding to the Rate Category outlined below. Reported enrolments may be adjusted by the Province to ensure payments account for periods of closure consistent with information provided on the Program Confirmation form. Providers are encouraged to use the Child Care Fee Reduction Calculator, which was sent to providers via email on March 27.

The following months have 19 weekdays, not including statutory holidays: September and December of 2018 and February of 2019. Remaining months during the term of this Agreement have 20 weekdays or more, not including statutory holidays.

**Licensed Group**

For months with **20 weekdays or more** excluding statutory holidays:

Daily Rate Category	4 hours or less	More than 4 hours
Under 36 months	\$8.75	\$17.50
3 years to kindergarten	\$2.50	\$5.00

For months with **19 weekdays** excluding statutory holidays:

Daily Rate Category	4 hours or less	More than 4 hours
Under 36 months	\$9.21	\$18.42

3 years to kindergarten	\$2.63	\$5.26
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**Licensed Family**

For months with **20 weekdays or more** excluding statutory holidays:

Daily Rate Category	4 hours or less	More than 4 hours
Under 36 months	\$5.00	\$10.00
3 years to kindergarten	\$1.50	\$3.00

For months with **19 weekdays** excluding statutory holidays:

Daily Rate Category	4 hours or less	More than 4 hours
Under 36 months	\$5.26	\$10.53
3 years to kindergarten	\$1.58	\$3.16

**42. How will the Parent Fee Reduction Payment be pro-rated for part-time spaces? *Updated April 16, 2018***

For the purposes of administering the CCOF program and the child care fee reduction initiative, part-time enrolment is defined as any enrolment that is less than full-time. Part-time may include full-days (more than 4 hours), or half days (4 hours or less).

For part-time enrolments that are consistent month to month, providers must reduce parent fees by a consistent monthly pro-rated amount. The calculation for a pro-rated amount has been standardized to be based on a 20 day enrolment, regardless of number of business days per month to ensure that the parent fee reduction amount is stable month to month.

This means that enrolment is pro-rated by calculating a percentage of the full-time monthly fee amount of \$350.00 per month for Under 36 months and \$100.00 per month for 3 years to Kindergarten. E.g. under 36 months for 3 days per week (4 hours or less) is 12 days out of a possible 20 days.  $12/20 = 60\%$ .  $60\% \text{ of } \$175 = \$105$ .

For a simple way to determine the amount by which to reduce parent fees, providers can use the Child Care Fee Reduction Calculator, which was sent to providers via email on March 27.

**Licensed Group**

Care Category	Days Per Week	Monthly Parent Fee Reduction Amount	
		4 Hours or Less	More Than 4 Hours
Under 36 months	5 days	\$175	\$350
	4 days	\$140	\$280
	3 days	\$105	\$210
	2 days	\$70	\$140
	1 day	\$35	\$70
3 years to Kindergarten	5 days	\$50	\$100
	4 days	\$40	\$80

	3 days	\$30	\$60
	2 days	\$20	\$40
	1 day	\$10	\$20

### Licensed Family

Care Category	Days Per Week	Monthly Parent Fee Reduction Amount	
		4 Hours or Less	More Than 4 Hours
Under 36 months	5 days	\$100	\$200
	4 days	\$80	\$160
	3 days	\$60	\$120
	2 days	\$40	\$80
	1 day	\$20	\$40
3 years to Kindergarten	5 days	\$30	\$60
	4 days	\$24	\$48
	3 days	\$18	\$36
	2 days	\$12	\$24
	1 day	\$6	\$12

For **inconsistent enrolments** providers must reduce each parent fee using the following formulas and the Daily Rates listed in the table below:

Number of Enrolment Days (4 hours or less) X 4 hours or less Daily Rate  
= Parent Fee Reduction Amount (to a maximum monthly rate for 4 hours or less)

Number of Enrolment Days (More than 4 hours) X More than 4 hours Daily Rate  
= Parent Fee Reduction Amount (to a maximum monthly rate for More than 4 hours)

The combined Parent Fee Reduction Amounts must not exceed the maximum monthly rate in the More than 4 hours category in the table below.

### Licensed Group

Care Category	Daily Rate	
	4 Hours or Less	More Than 4 Hours
Under 36 months	\$8.75 (up to a maximum of \$175 per month)	\$17.50 (up to a maximum of \$350 per month)
3 years to Kindergarten	\$2.50 (up to a maximum of \$50 per month)	\$5.00 (up to a maximum of \$100 per month)

### Licensed Family

Care Category	Daily Rate	
	4 Hours or Less	More Than 4 Hours
Under 36 months	\$5.00 (up to a maximum of \$100 per month)	\$10.00 (up to a maximum of \$200 per month)

3 years to Kindergarten	\$1.50 (up to a maximum of \$30 per month)	\$3.00 (up to a maximum of \$60 per month)
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**43. I am approved for the initiative – what do I need to do to report the children in the “Under 36 months” and/or “3 years to Kindergarten” spaces so that parents can get the fee reduction?**

Once approved to participate, providers need to submit their monthly Enrolment Reports in order to receive opt in payments. The ministry will use the information on the Enrolment Report and, if applicable, any closure information provided on Program Confirmation Form to calculate opt in payments each facility will receive on a monthly basis.

**44. My facility charges parents a daily rate. How will the fee reduction work for families with children in my care? *Updated April 16, 2018***

The ministry recognizes that providers collect fees based on their own policies, along with the timelines that fit their individual business needs. Providers who charge fees based on a daily rate can use the Child Care Fee Reduction Calculator, the tables outlined above, or the tables in Schedule C of their Funding Agreement to determine the daily amount by which to reduce parent fees.

**45. I charge different rates for children in my care (e.g. based on their date of enrolment at my facility, etc.). Will these families be eligible for the same amount?**

A single monthly fee reduction rate for full-time enrolment applies to the “Under 36 months” and “3 years to Kindergarten” CCOF categories, for each of the Family Child Care and Group Child Care categories. Therefore, all full-time spaces in each license type are eligible for the fee reduction. Part-time spaces will receive a pro-rated amount, regardless of any differences in fees the provider charges.

**46. I charge additional fees for optional services (e.g. meals, field trips, etc.). Will this impact the amount of benefit my families are eligible for?**

Under the terms of your Funding Agreement with the ministry, “parent fees” are defined as “exclusive of optional fees for activities like field trips or extra-curricular activities.” As such, any optional fees that parents are not required to pay in order to maintain enrolment for their child, such as an optional meal plan, will not be included under the terms of your Funding Agreement.

**47. My facility closes for vacation and school closures and still charges a full-monthly rate for full-time enrolment. How will this impact my eligibility? *Updated April 16th, 2018***

The ministry recognizes that many providers charge regular monthly fees for months with closure periods in addition to statutory holidays. Closure periods are considered to be any non-statutory holiday closure in which the facility is not open and providing child care services.

Prior to enrolment, child care providers applying to opt in to the fee reduction initiative will be required to declare non-statutory closures – both historical and planned – over the course of the contract term. Facilities that are approved to opt in may not:

- Close for more than two consecutive weeks per month, up to a maximum of four weeks in total per year
- And charge parents full fees for those weeks.

Enrolment Reports that indicate a non-statutory closure will be reviewed against the Program Confirmation Form to ensure stable monthly fee reduction payments if parents are charged full monthly fees. If parents are not charged for facility closures, providers will receive pro-rated funding amounts for the fee reduction for that period.

If there is a business case for closures of a longer duration or frequency, providers are advised to contact the CCOF Program.

**48. My facility closes for statutory holidays and still charges a full-monthly rate for full-time enrolment. How will this impact my eligibility? *New Question***

Facility closures on statutory holidays will not affect a provider's eligibility for opt in funding. Parent Fee Reduction Payments are based on the totals indicated in each provider's monthly Enrolment Report multiplied by adjusted daily rates which account for the fact that there are a different number of weekdays excluding statutory holidays in each month.

Through the adjusted daily rates, providers will receive the funding necessary to reduce parent fees by the prescribed stable monthly amounts for full and part-time enrolments.

**49. What happens if a family leaves without notice? Should I claim for them for our required notice period, even though they are not attending? *New Question***

CCOF payments are based on total monthly enrolment, which should continue to be reflected in monthly Enrollment Reports. For 2018/19, providers will be able to submit Enrolment Reports before the beginning of each month in order to receive base funding and any approved opt in funding before or by the beginning of each month.

If a family leaves without notice, a provider may claim for that space for the required notice period (up to a maximum of one month). If the space is filled within the notice period however, and fees collected for the new child, the pro-rated amount is required to be used to provide the CCFRI to the child now in that space.

As always, if your Monthly Enrolment Report has already been submitted and paid, and an error is noticed, you can submit a new report online for the same month with the correct information. A payment adjustment will be calculated and the difference will either be paid to you or deducted from your next payment. If you have not yet submitted the report for the month, you can edit or delete the current enrolment report online before submitting it. If report is submitted but not approved, you can contact CCOF to have the report rejected and a new corrected report can then be submitted.

## General Questions

### 50. There has been a lot of confusion around the introduction of the child care fee reduction initiative and its implementation. How do you respond to these criticisms?

#### *New Question*

The Child Care Fee Reduction Initiative (CCFRI) was first introduced to all citizens in B.C. through [Budget 2018](#) on February 20, 2018. Due to the timing of the annual CCOF contract renewal process, which occurs in mid-March each year, the timelines to communicate with providers regarding the details of this initiative have been compressed, presenting challenges to both providers and government. We have taken a number of proactive steps to respond to the many questions providers have about the initiative.

The Ministry understands the need for stability by business owners and child care operators. This is one of the reasons why the majority of initiatives announced through Budget 2018 operate within the existing system by providing supports through the current contracting mechanism. The changes that are being introduced are intended to address the key challenges embedded in the current system.

The CCFRI is a significant part of the Budget 2018 investments, in response to parent concerns related to improving affordability in BC. Additional changes on others aspects of affordability, quality and access will be introduced over time, in recognition and respect for the existing array of providers across BC. The Ministry will continue to check in with providers, identify lessons learned, address unintended consequences and ensure in the end we achieve our goal of accessible, affordable and quality child care.

### 51. How have you consulted with child care providers on these changes? *New Question*

The Ministry consulted with licensed providers in both the private and non-profit sectors, beginning in September 2017, including conducting a province-wide survey of all licensed providers in receipt of CCOF and hosting a two-day forum in November to help inform the B.C. Child Care Plan. We've also recently hosted seven province-wide teleconferences and spoken with providers from around the province since the February announcement.

Following the announcement and initial implementation of the child care fee reduction initiative, we reached out through an Ipsos-Reid survey to licensed child care providers (including non-profit and private organizations) who have not yet returned their Funding Agreements for 2018-19 to the Ministry, and have not yet indicated they will be applying to opt-in to the initiative. Our goal is to better understand how we can address provider concerns, while also meeting the needs of parents. We will use the information Ipsos-Reid gathers to inform any future adjustments to the program and our approach, as needed, as we introduce future child care programs and services.

**52. Many providers have provided comments and suggestions on how to address their concerns about the child care fee reduction initiative's initial rollout. How do you respond? *New Question***

We acknowledge and appreciate the input we've received from parents, ECEs and child care providers, and sector associations on how we can improve on both our policy and implementation of the child care fee reduction initiative, through their letters, phone calls, and questions to Ministry staff and responses to our Ipsos Reid survey. We will use this feedback to inform any future adjustments to the program approach, as needed, and also, as we introduce future child care programs and services.

**53. If providers don't opt in to the fee reduction initiative, will we still be eligible for future Child Care BC programs government has planned, like Child Care Major Capital Funding? *New Question***

This child care fee reduction initiative is the first major initiative of the Child Care BC Plan, and one that involves partnering with licensed child care providers. We recognize that it's a big change, and we'll be considering the lessons learned from this initial roll out for future initiatives. This will include communicating with providers on whether opting in may impact eligibility for other future programs, such as the soon-to-be re-launched the Child Care Major Capital Funding Program.

**54. I've been approved to opt in – what should I tell the families with children enrolled in my program?**

Once a provider is approved to opt in, they can share with the families who have children enrolled in Under 36 months and the 3 years to Kindergarten care that their facility has been approved to opt in, including how much fees are being reduced by and the effective date they begin to see the fee reductions.

The ministry will post a list of participating providers on the program webpage in April 2018, so families can check to see if their provider has been accepted in the child care fee reduction initiative.

**55. Will the ministry be posting my 2018/19 monthly fees online? *Updated April 16, 2018***

The ministry recognizes that child care providers have control over their fee structures. At the same time, organizations in receipt of government funding are accountable to the public to be transparent in how those public funds are allocated.

The ministry will be working to provide fee information through the [Child Care BC Map](#) online for those facilities approved to opt in. In the interim, a list of participating providers will be posted on the program website.

**56. Why are the fee reductions for Family providers lower than for Group providers?**

The intent of the child care fee reduction initiative is to reduce costs for parents. On average, parent fees at licensed group facilities are higher than those at licensed family facilities (including In-Home Multi-Age Care). As such, the fee reduction amounts available for each care type are scaled to reflect the actual cost of care to the parent.

**57. My facility also runs a before and after school program. Some of the children in that program are enrolled in Kindergarten. Are the families of these children also eligible for reduced fees through the Child Care Fee Reduction Initiative? *Updated April 16th, 2018***

The child care fee reduction initiative's intent is to reduce fees for children currently enrolled in the "Under 36 months" and "3 years to Kindergarten" CCOF categories, as these are, on average, the most expensive types of care. As some Kindergarten children enrolled in a before and after school program may be reported through the provider's CCOF monthly Enrolment Report in a "3 years to Kindergarten" space, they will be eligible for reduced fees under this initiative for the duration of their enrolment in that category.

**58. What about families receiving Child Care Subsidy? Which fee should I report to the ministry, and when? *Updated April 16th, 2018***

Both providers and parents are required to report their parental fees for spaces, less any reduction applied through the child care fee reduction initiative – if applicable – to the Child Care Subsidy program. Providers and Parents can call the Child Care Subsidy Service Center at 1-888-338-6622 (select Option 1) or submit a new Child Care Subsidy Child Care Arrangement form to indicate the new child care fee.

**59. My facility provides a longer day of care than other facilities in my area. Does this mean my families will be eligible for a higher rate of fee reduction?**

While the ministry recognizes program hours/operations vary across the province, the CCOF program defines full-time daily care as child care occurring for over four hours per day.

If you receive CCOF and the fee reduction enhanced funding, your facility will receive a monthly rate based on the number of days in that month and the number of full-time and part-time enrolments reported through your monthly Enrolment Report and the closure information provided in the Program Confirmation form, regardless of your facility's hours of operation. This is to ensure stable monthly payments, which providers can then pass on to parents through reduced fees.

**60. For providers with five-/six-year-olds enrolled in a Kindergarten space – when should providers report that child as officially moved over to a grade 1 space on their Enrolment Reports?**

Fee reduction payments will be based on the number of children that you report in the “Under 36 months” and/or “3 years to Kindergarten” categories on your regular monthly Enrolment Report. When a child moves over to another type of care, as per standard reporting policy, that child would be reported in the Grade 1 to 12 years category, or not at all.

**61. Will Aboriginal Head Start programs that receive CCOF be eligible? *New Question***

Most existing Aboriginal Head Start programs provide licensed pre-school (part-day programs). These pre-school programs would not qualify because they do not provide full-day child care, meaning they do not deliver either of the two eligible categories of full-day child care (“under 36 months” and/or “3 years to Kindergarten”).

If an on-reserve program is providing licensed full-day child care (and charging fees to parents), the licensed child care program is eligible to apply to opt in to pass on fee reductions to parents.

**62. Why are licensed preschool programs ineligible, when other part-time child care spaces are?**

At this time, the focus of the child care fee reduction initiative is to assist parents by reducing fees for the most expensive types of child care. As licensed care for children aged “Under 36 months” and “3 years to Kindergarten” are the two child care types with the highest median fees in the province, the ministry is currently restricting eligibility to these care types.

**63. My facility is licensed as Multi-Age Child Care (caring for more than 8 children and/or operating outside of a personal residence) or Group Child Care. Will the children enrolled in my program be eligible? *Updated April 16, 2018***

Any child care spaces that are operating on either a full-time or part-time basis and are reported in the “Under 36 months” and/or “3 years to Kindergarten” categories on a provider’s monthly CCOF Enrolment Report are eligible for a fee reduction.

**64. I’m a Multi-Age Child Care provider, located in my own personal residence. What rate will my families qualify for? *Updated April 16, 2018***

As per CCOF policy, Multi-Age Child Care providers caring for a maximum of 8 children in their own personal residences qualify for Family CCOF rates. As such, the families of the children in your care will qualify for the Family monthly fee reduction amounts of \$200/month for children “Under 36 months” and \$60/month for children aged “3 years to Kindergarten.”

**65. I'm a child care provider, and my child attends my facility. Am I eligible to receive the fee reduction? *Updated April 16, 2018***

As with the current Child Care Subsidy policy, in cases where a parent or foster parent has a child enrolled in a facility that they own, that facility is eligible to receive a fee reduction for that child as long as the parent does not directly provide care for the child.

When a parent and child reside with a relative and that relative operates a licensed facility in their home and provides care for the child, it is considered an allowable child care arrangement and may be eligible for the fee reduction.

In cases where a parent or foster parent works at a facility in which they have a child enrolled, that facility is eligible to receive a fee reduction for that child regardless of whether or not the parent provides the care directly. The Ministry has been hearing from licensed Family child care providers which realize foregone revenue when enrolling their own child in one of their available licensed spaces. The Ministry is actively looking at this issue, in order to determine if more should be done for providers in these cases.

**66. Why was this program not rolled out as a part of a subsidy program to parents, with these funding levels available to all families and then increasing amounts based on income?**

***New Question***

The intent of the child care fee reduction initiative is to provide immediate relief to families through reduced monthly fees, regardless of income. The new affordable child care benefit, coming in September 2018, will help to further reduce child care fees based on family income. Families with pre-tax incomes up to \$111,000 (based on a two-person family) may be eligible, and parents will be able to apply online. Together, these initiatives will contribute to increased child care affordability, with targeted investment for families that need it the most.