

\$10 A Day ChildCareBC Centres Operating Funding Model Test: Phase 1 – 2023 Intake

Policy and Procedures Manual
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Ministry of
Education and
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ChildCareBC

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INTRODUCTION

[ChildCareBC](#) outlines the Province’s long-term plan to build a future where inclusive, quality, and affordable child care is a service that families can rely on. To progress towards this future, the Province, under the Ministry of Education and Child Care (the “Province”), in collaboration with the Government of Canada, is testing various operating funding models across thousands of licensed child care spaces under the \$10 a Day ChildCareBC Initiative.

For the past five years, child care providers participating in the \$10 a Day ChildCareBC Initiative have contributed invaluable data, knowledge, and expertise to the ongoing development of inclusive, quality and affordable child care in British Columbia.

As the next step, the Province will work with an initial sample group within \$10 a Day ChildCareBC sites (the “participants”) to test a new funding model that will calculate operational funding levels using a new standardized formula-based model. This operating funding model (“OFM”) establishes the Province as the primary source of the participants’ operating funding through monthly funding and a parent fee of \$10 per day per child¹ to be collected by the participants from the families of children in their care. This formula-based approach is intended to:

- Reduce administrative burden and provide stable operational funding for participants;
- Set clear standards for services and provide professional development support for early childhood professionals;
- Provide consistent, affordable parent fees; and
- Foster quality, inclusive and culturally safe child care programs.

The \$10 a Day ChildCareBC Operating Funding Model Test (“OFM Test”) is a test of the OFM and will support and enable participants and early childhood professionals to deliver child care services that meet the Universal Service Standards described in this Manual and respond to the unique and diverse needs of the children, families, staff, and communities they work with. These service standards will evolve as the OFM is tested and refined.

The Province looks forward to continuing to work with participants to learn and understand how best to refine the OFM based on learnings gathered through the test and move towards a future where inclusive, quality child care is available to families when and where they need it.

This Manual provides information and sets participant expectations regarding the OFM Test, including how the model is intended to work, how funding will be allocated and how participants can use their funding. This Manual also supplements, and is subject to, the Funding Agreement that each participant enters with the Province in respect of the OFM Test. This Manual is likely to change over time as the Province and participants

¹ For full-time care; \$7 a day per child for care less than 4 hours a day.

work together to learn more about funding child care and refine the model. Any changes to the Manual will follow the process set out in the Funding Agreement.

Except as expressly stated otherwise in this Manual, all documents, materials, and other resources linked to or otherwise referenced in this Manual (whether in this or any other section) are provided for informational purposes only and do not form part of this Manual or any part of the Province's or the participant's obligations under a Funding Agreement.

OPERATING A \$10 A DAY CHILDCAREBC SITE

THE \$10 A DAY CHILDCAREBC COMMUNITY

The \$10 a Day ChildCareBC Initiative is made up of thousands of child care spaces at hundreds of licensed child care sites located in communities across the province. \$10 a Day ChildCareBC sites are a part of a growing community that have been testing operational funding models to inform the future of child care in BC. As the Province and participants work together to test and refine the OFM, the test cohort will remain an important part of the \$10 a Day ChildCareBC community.

The Province will continue to communicate with each \$10 a Day ChildCareBC site individually, including the OFM Test participants, to ensure that sites have the information and resources they need to be successful. The Province also encourages all \$10 a Day ChildCareBC sites to communicate with each other, share learnings, best practices, and support peer-to-peer collaboration. To support this, the Province has set up the following resources:

- All \$10 a Day ChildCareBC Centres SharePoint: [\\$10 a Day ChildCareBC Centres - External - Home \(sharepoint.com\)](#)
- Direct Support email: 10aDayCentres@gov.bc.ca

UNIVERSAL SERVICE STANDARDS

As the child care needs of families vary, even for individual children, so too the services provided by child care providers vary in response to the needs of the families and children they work with and the communities they operate within. A sustainable funding model includes consistent service standards so that families and child care providers know what to expect, while providing flexibility and stability for child care providers to be responsive to the needs of those they serve.

The OFM Test introduces Universal Service Standards that align with the requirements that all licensed child care providers must meet under the Child Care Licensing Regulation ("CCLR"), and describe the quality, inclusive, and culturally safe child care available in all child care services funded by the OFM Test. The

introduction of these service standards is an opportunity for the Province to work together with participants to better understand how they might be supported in providing quality, inclusive and culturally safe child care.

The Universal Service Standards are set out below:

Quality Child Care

All participants are expected to provide quality child care and programming that meets or exceeds licensing and industry standards to all children in their care. To achieve this end, participants will receive the following supports through the OFM Test:

- funding to support recruitment and retention of a qualified child care workforce through standardized and stabilized compensation and additional benefits and paid time off;
- funding to enable access to professional development opportunities, including paid time off and paid expenses. participants and early childhood professionals are encouraged to reflect on their programs and practice and prioritize professional development that emphasizes inclusivity, cultural safety, trauma-informed practice, and any other area that is needed to ensure quality care and learning for the children in the participant's care and their families;
- resources such as the [BC Early Learning Framework](#) (BC ELF), the [Play Today Handbook](#) (2019) and the [Inclusive Child Care Toolkit](#) (2021); and
- encouragement for participants and early childhood professionals to engage in reflective practice and continuous improvement of services. The Province is developing resources to support participants in this work.

Inclusive Child Care

All participants are required to develop and implement an inclusion policy² after entering into the Funding Agreement that outlines the steps that the participant will take to provide inclusive child care services to all children and families, including how staff will prevent or reduce the exclusion or termination of children from the program. To support the development of an inclusion policy and to enhance the inclusivity and accessibility of their program, participants and early childhood professionals may:

- refer to the [Inclusive Child Care Toolkit](#), which outlines how child care providers may embed inclusivity and equity of access into their program and provides instructions in how to develop an inclusion policy;
- request additional funding through the to further enhance their program's inclusivity and accessibility;
- connect with their local Supported Child Development (SCD) or Aboriginal Supported Child Development (ASCD) program to determine if children in their care may be eligible for additional supports; and
- access free professional development online, including the [Foundations of Inclusive Child Care](#) and Behaviour in the Early Years (coming November 2023).

² Participants are not required to submit their inclusion policy to the Province to demonstrate completeness, however, they may be asked to submit their inclusion policy to contribute to the Province's learning in supporting child care providers to deliver inclusive services to all children and families.

Culturally Safe Child Care

All participants are expected to provide culturally safe child care that meets the distinct needs and interests of First Nations, Métis, Inuit children and families with equitable access to affordable, inclusive, quality, culturally relevant programs, and services. To support the delivery of culturally safe care, participants and early childhood professionals are encouraged to:

- build respectful, meaningful connections with their local communities, including local First Nations, Métis Communities, Aboriginal Friendship Centres, Elders, and Knowledge Keepers;
- access resources available through organizations such as the BC Aboriginal Child Care Society (BCACCS) and Métis Nation BC (MNBC) which help guide providers in delivering culturally responsive care; and
- request additional funding through the [Indigenous Programming Allowance](#) to enhance their program's delivery of Indigenous curriculum, in collaboration with Indigenous Peoples in their communities.

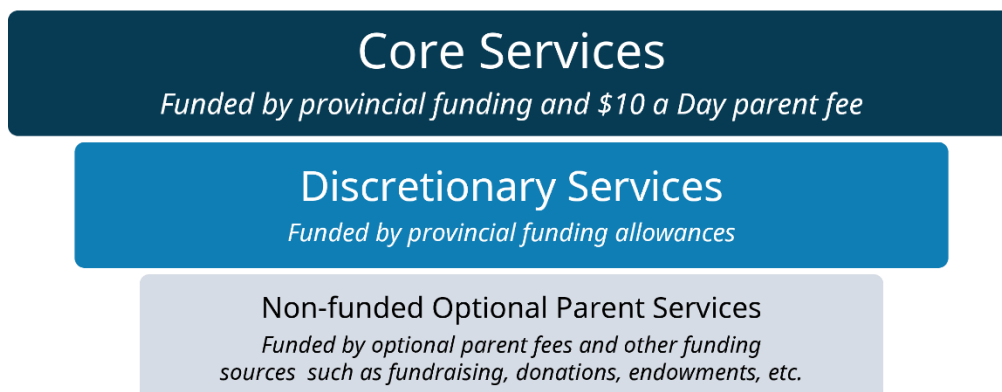
OPERATING FUNDING

Participants in the OFM Test will shift from an eligible expenses funding model to a standardized formula-based funding model. Key changes participants can expect include:

- Funding calculated through a formula-based model and determined by the participant's operating hours, Operational Capacity, and facility licence type(s), among other things;
- Standardized funding categories for Core Services called "Funding Envelopes" which have specific rules and purposes;
- Restrictions and guidelines for additional fees charged to parents;
- Introduction of Universal Service Standards (as discussed above); and
- Increased communication with the Province, including reporting requirements, to support learnings and refinement of the funding model.

Funding calculated by the OFM Test will enable participants to deliver quality, inclusive, culturally safe child care services that meet the unique and diverse needs of the children, families, staff, and communities, through a combination of government-provided operating funding, parent fees collected from families and funding from independent sources (i.e., fundraising, donations, endowments, etc.).

Overview of the Operating Funding Model



The OFM is intended to enable participants to deliver Core Services, which are available to families and children through all child care providers participating in the OFM Test, and certain Discretionary Services which are funded through specified Allowances. Participants will also be permitted to continue to provide certain Optional Parent Services (that are to be available to families on an optional basis) that participants were offering to families and children prior to October 12, 2023.

Core Services: Participants will be funded to deliver child care services that meet the diverse needs of children, families, staff, and communities while providing services in line with Universal Service Standards, to all children attending the Facility. This includes children Enrolled at the Facility and those accessing Drop-In Spaces. Participants are supported to deliver Core Services through Base Funding, which includes funding from the Province and the collection of Parent Fees.

Discretionary Services: Participants may apply for certain Allowances to enable them to provide services in addition to Core Services to meet the unique needs of the families accessing the child care service or the communities served. At the start of the OFM Test, the Discretionary Services will be limited to specific transportation services funded through the Transportation Allowance. The Province may add to or change the Discretionary Services over the course of the OFM Test.

Optional Parent Services: Participants may continue to offer specified Optional Parent Services where the participant was offering those services to children and families prior to October 12, 2023. For the OFM Test, those Optional Parent Services are limited to meal programs, uniforms, extracurricular activities, additional education programming and custom transportation. All Optional Parent Services must always be optional for families. The Optional Parent Services are funded through Optional Parent Fees and other funding sources (e.g., fundraising).

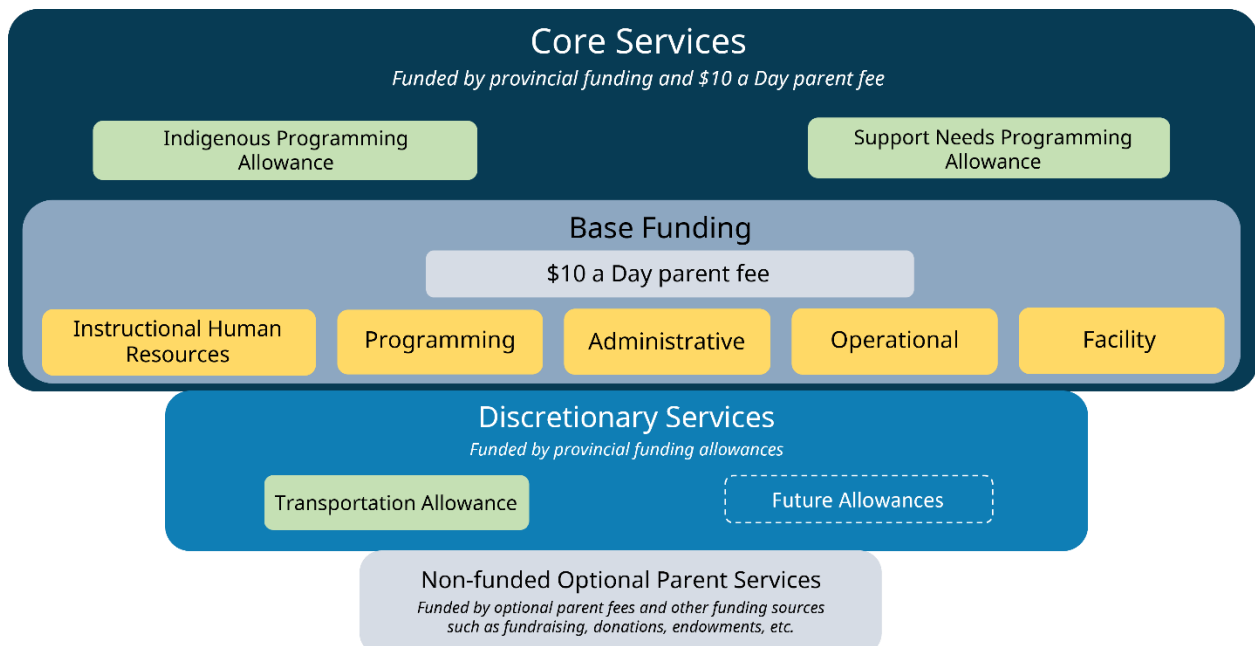
OPERATING FUNDING MODEL FORMULA

Each participant will receive Base Funding to deliver Core Services, with additional Allowances by request to further support the delivery of culturally safe and inclusive child care. Funding levels are calculated using a standardized formula that considers costs associated with the participant’s facility licence type(s), Operational Capacity, weeks in operation and operating hours and days. Funding levels are informed by costs reported by BC child care providers in the annual Provider Profile Survey and data collected from existing \$10 a Day ChildCareBC sites and Aboriginal Head Start providers. Additional funding is available by application for the delivery of certain Discretionary Services.

Funding through the OFM includes:

- Base Funding to support the provision of Core Services, consisting of funding from the Province and the Parent Fees. The Base Funding is an annual amount that will be divided into five “Funding Envelopes” for Instructional Human Resources, Programming, Administrative, Operational and Facility costs. The Province will distribute the Province Base Funding portion of the Base Funding to participants through equal installments at the beginning of each month in advance, or at such other frequency approved by the Province;
- Additional funding Allowances, including the Indigenous Programming Allowance and the Support Needs Programming Allowance, available upon request to allow participants to enhance their existing programming or offer additional programming; and
- Additional funding Allowances available by application so participants can deliver certain Discretionary Services, such as transportation to and from school.

Operating Funding Model



Operational Capacity:

Operational Capacity refers to the total number of Enrolled Spaces and Vacant Spaces at the Facility that may be occupied by a child at the Facility during the times that the Facility offers Child Care. If a licensed space is not available for a child to be Enrolled (e.g., due to insufficient staffing to meet licensing requirements), it is not included in the Operational Capacity. The Province will work with participants to ensure that their Operational Capacity is reasonable and may request justification and/or documentation to better understand why a participant is operating below their Licensed Capacity.

Participants will make bona fide efforts to achieve and maintain Enrolment at Operational Capacity, including enrolling children from the Facility's waitlist (if applicable), advertising space availability to local families or offering more hours of care to families who currently only access part-time care. The Province will have the right on an ongoing basis to determine whether the participant is making or has provided justification acceptable to the Province for not making, such efforts.

To inform the Province's funding calculation, participants are required to report their anticipated number of operational spaces, and to contact the Province if that number changes.

- Participants that wish to add net-new operational spaces (above the levels set out in their Funding Agreement) will not automatically receive additional funding to deliver the new spaces at a Parent Fee of \$10 per day. Participants must contact the Province in advance to determine eligibility of the new spaces.
- The Province will monitor Enrolment levels at each participant's Facility to ensure appropriate funding levels. If a Participant is consistently operating under capacity (fewer enrolled children than reported operational spaces)³, or if the Province determines that a participant was funded for a larger capacity than it is able to provide or at a higher level than is warranted under the terms of its Funding Agreement, the Province will contact the participant regarding the discrepancy and may adjust future funding amounts (and past funding amounts, if applicable under the Funding Agreement) to better reflect actual Enrolment/Operational Capacity as described in its Funding Agreement.

Operating Hours:

Under the OFM Test, participants will receive funding proportionally to their hours of operation. Base Funding is provided to cover staffing requirements under the CCLR and to ensure staff coverage for breaks during the day and paid time off (e.g., vacation and sick days). To maximize access for families, participants will be fully funded for each hour of operation and are encouraged to be fully staffed for all operating hours, where possible, regardless of the number of children in attendance. In addition to supporting maximum access for

³ In addition to reviewing any circumstance of a Centre's Participant's enrolment falling below 80% of Operational Capacity for three consecutive months, the Province may also consider funding adjustments if a Participant is consistently under-enrolled compared to their reported Operational Capacity but remains above the 80% threshold.

families, this approach is intended to support quality programming and staff retention by giving educators additional time off the floor and/or by providing higher staff ratios during non-peak hours.

Unless otherwise agreed upon with an Eligible Employee, participants must pay Eligible Employees, at their usual rate of pay, for all scheduled hours that they work. This may also support quality programming and staff retention. To ensure that staff understand their rights, each time a participant offers an Eligible Employee the option of not working during their scheduled hours, the participant must inform the Eligible Employee that they will be paid for all scheduled hours should they choose to work and will not be paid for scheduled hours they agree to not work. Participants receiving funding under the OFM Test are also encouraged to offer care that meets the needs of all families of Enrolled children (with consideration for children accessing Drop-In Spaces) during all operating hours when there is sufficient staff. Wherever possible, participants should work with families to offer care during hours they can access.

BASE FUNDING

The primary funding that participants will receive under the OFM Test is called Base Funding, which enables participants to deliver Core Services and meet Universal Service Standards. Base Funding includes Province Base Funding, which is paid to participants by the Province, and Parent Fees which are collected directly by the participant. Base Funding is allocated across five “Funding Envelopes” and includes funding for Instructional Human Resources, Programming, Administrative, Operational and Facility costs. The Province Base Funding is an annual fixed amount that will be divided into equal monthly payments (unless paid at such other frequency approved by the Province) paid through direct deposit while participants are solely responsible for charging and collecting Parent Fees.

Each Funding Envelope has restrictions for how the funding can be used and if or how it can be re-allocated between the Funding Envelopes and between line items within the Funding Envelopes, as applicable. This approach is intended to balance flexibility offered to the participant and the Province’s efforts to learn about and refine the OFM during the OFM Test.

Funding Envelope	Funds can be re-allocated <u>TO</u> this Funding Envelope from other Funding Envelopes	Funds can be re-allocated <u>FROM</u> this Funding Envelope to other Funding Envelopes	Funds can be re-allocated between Funding Envelope line items
Instructional Human Resources	No*	No*	No*
Programming	Yes	Yes	N/A
Administrative	No*	Yes	N/A
Operational	Yes	Yes	N/A
Facility	Yes	No*	No*

*Where “No” is noted, funding may not be re-allocated without prior written approval from the Province.

Further detail about the Base Funding is available in Schedule B of the Funding Agreement.

See Appendix A: Eligible Expenses for more information about what expenses are funded under the different Funding Envelopes and additional Allowances.

Instructional Human Resources Funding Envelope

The Instructional Human Resources Funding Envelope is to be spent by the participant on the specific eligible human resources and professional development cost line items set out below, for employees providing Core Services. This Funding Envelope excludes employees whose primary responsibility is to provide non-child care-related services such as administrative, janitorial, or similar services, which are provided for under other Funding Envelopes.

WAGES & PAID TIME OFF

The OFM Test moves BC towards meeting the Province’s commitment to develop and implement a wage grid for Early Childhood Educators and establish a comprehensive compensation standard for all early childhood professionals. The compensation approach introduced in the OFM Test is a compensation standard inclusive of a Wage Grid, paid time off, professional development, and funds for statutory and other benefits.

The funding provided under the Wages & Paid Time Off line item includes annual funding for statutory holidays, 15 vacation days and 5 sick leave days per FTE Eligible Employee (which is pro-rated for part-time Eligible Employees). Nothing contained in a Funding Agreement will alter or release the participant from meeting its obligations under the *Employment Standards Act*.

Wage Grid

Role	Description	Hourly Wage	
		Minimum	Funding Level
Early Childhood Educator Assistant	Works alongside Early Childhood Educators in licensed child care programs for children aged 0-5	\$22.00	\$23.00
School Age Care Provider	Works in licensed child care programs for children in Kindergarten and up	\$23.50	\$25.00
Early Childhood Educator	Works as a sole, primary, or supporting educator in licensed child care programs for children aged 0-5	\$25.00	\$28.50
		Hourly Premium	
Program Leader	Primary or sole educator in a licensed child care program, which may include responsibility for supervising other staff	\$2.00 per group	

This Wage Grid prescribes a minimum wage for each specified role providing direct care to children and a corresponding funding level which exceeds the minimum hourly wage, to provide participants with flexibility to address their staffing needs. It replaces the ECE Wage Enhancement (“ECE-WE”). Child care providers participating in the OFM Test are no longer eligible for the ECE-WE and are funded in connection with the Wage Grid. When determining wages, participants should consider offering fair compensation to the Eligible

Employees considering other provincial initiatives available to the broader child care sector, such as the ECE-WE.

Participants are required to pay any Eligible Employee at least the minimum hourly wage level for their role, as set out in the Wage Grid above. Under the Base Funding, the funding levels provided for hourly wages are higher than the minimum required hourly wages to allow participants some flexibility over how wages are allocated to each of their Eligible Employees. The participant may pay Eligible Employees an hourly wage that exceeds the funding levels in the Wage Grid, provided that neither the Province nor any Parents (whether through the Parent Fee, Optional Parent Fees, or other additional fees) will be required to provide additional funding to the participant to cover those higher wages.

For example, a participant may wish to pay the minimum wage of \$25.00 to a new ECE joining the sector with no prior experience working in child care and use the remaining funding of \$3.50 to offer a higher wage to a more senior ECE or an ECE holding their post-basic certificate(s). However, if, for example, the wages paid by the participant to all Eligible Employees exceeds the total funding for this line item, the participant is solely responsible for paying those excess amounts from other funding sources, which must not include additional fees charged to Parents.

The Instructional Human Resources Funding Envelope calculates funding based on the required role(s) for each Facility, not the certificate level held by the Eligible Employee. For example, an ECE working in before/after-school care would be compensated as a School Age Care Provider, not an ECE, as the Responsible Adult certification is the minimum required qualification to work in school age care and family child care. The OFM currently assumes that early childhood professionals in these settings will be compensated according to the School Age Care Provider role.

Currently, the OFM also provides funding for one Program Leader per group, assuming the most efficient group allocation based on the number of spaces. Participants have discretion as to how to allocate the Program Leader premium among their staff to meet their specific program needs.

Individuals who are the owner/operator of the Facility and who also fulfil a role as an Eligible Employee are required to pay themselves a wage according to the Wage Grid and report hours worked.

The Wage Grid will evolve based on learnings through the OFM Test and updated data from the annual Provider Profile Survey.

BENEFITS

Benefits funding is provided based on 18% of funding for wages (as set out above) to cover more than the minimum statutory benefits. Participants must spend these funds to cover statutory benefits (i.e., Canada Pension Plan, Employment Insurance Premiums, workers' compensation premiums). Providers may use the remaining funding under this line item for extended benefits, which may include (but are not limited to) extended health, dental, group life, accidental death and dismemberment, long-term disability, and retirement savings.

EMPLOYER HEALTH TAX

This line item includes funding for any obligations of participants under the *Employer Health Tax Act* for remuneration paid to Eligible Employees.

PROFESSIONAL DEVELOPMENT HOURS

This line item includes annual funding to provide each FTE Eligible Employee with 15 paid hours (approximately two days) for professional development, pro-rated for part-time Eligible Employees, which is to be passed on to Eligible Employees. Funding for these hours may be allocated to individual Eligible Employees to use at their discretion and/or used to fund Eligible Employee compensation during Facility-wide closures for professional development. Funding for these professional development hours cannot be pooled by the participant and allocated to one or several Eligible Employees but must be provided to each Eligible Employee according to their entitlement (including on a pro-rated basis if not equivalent to 1 FTE).

PROFESSIONAL DEVELOPMENT EXPENSES

Participants will receive \$250 per FTE Eligible Employee (which is pro-rated for part-time Eligible Employees) for professional development expenses, which may be pooled by a participant or allocated to individual Eligible Employees. Eligible expenses may include (but are not limited to) course or conference fees, travel, guest presenters, or professional association membership fees (e.g., Early Childhood Educators of BC).

Instructional Human Resources Funding Envelope Restrictions

- Base Funding may not be re-allocated into or out of this Funding Envelope without prior written approval from the Province.
- This Funding Envelope consists of five funding line items: Wages & Paid Time Off, Benefits, Employer Health Tax, Professional Development Hours, and Professional Development Expenses.
 - Base Funding may not be re-allocated between funding line items without prior written approval from the Province.
- Costs for eligible expenditures that exceed the funding amount provided under this Funding Envelope, including any amounts allocated to this Funding Envelope for which the Province's prior written approval was obtained, must be covered by the participant through other funding sources (e.g., fundraising) and may not be collected as additional fees from Parents.
- Any unspent funds from this Funding Envelope must be repaid to the Province, unless otherwise approved by the Province in writing.

Programming Funding Envelope

This Funding Envelope is to be spent by the participant on eligible expenditures associated with delivering early childhood program elements of the Core Services (see eligible expense details in Appendix A).

Programming Funding Envelope Restrictions

- Subject to the restrictions applicable to other Funding Envelopes (see, for example, the restrictions on the Administrative Funding Envelope), funding may be re-allocated between this and other Funding Envelopes without prior written approval from the Province.

Administrative Funding Envelope

This Funding Envelope is to be spent on eligible human resources and administrative expenditures not directly associated with delivery of Child Care Services and not covered by any other Funding Envelope (see eligible expense details in Appendix A).

Administrative Funding Envelope Restrictions

- Subject to the restrictions applicable to other Funding Envelopes (see, for example, the restrictions on the Instructional Human Resources Funding Envelope), funding may be re-allocated from this Funding Envelope without prior written approval from the Province.
- Funding may not be re-allocated from another Funding Envelope to this Funding Envelope.

Operational Funding Envelope

This Funding Envelope is to be spent by the participant on eligible costs associated with operating and maintaining the Facility, excluding rent, lease or mortgage costs, strata fees and property taxes (see eligible expense details in Appendix A).

Operational Funding Envelope Restrictions

- Subject to the restrictions applicable to other Funding Envelopes (see, for example, the restrictions on the Administrative Funding Envelope), funding may be re-allocated between this and other Funding Envelopes without prior written approval from the Province.

In the event of repairs or replacement of eligible items due to unexpected and emergency circumstances, the [ChildCareBC Maintenance Fund](#) may be available to support participants.

Facility Funding Envelope

This Funding Envelope is to be spent by the participant on eligible expenditures associated with the rental, lease, or mortgage costs for the Facility, as well as strata fees and property taxes (see eligible expense details in Appendix A). To be eligible for funding under the OFM Test, all rental agreements, leases and mortgages must be entered into with an arm's length third party, unless otherwise approved by the Province in writing.

NOTE: Corporations, partnerships, sole proprietor participants (excluding home-based providers) are not eligible to receive funding under the OFM Test to cover mortgage payments for privately held assets.

Facility Funding Envelope Restrictions

Funding for eligible expenditures in this Funding Envelope is provided on a cost pass through basis up to a maximum eligible amount determined by the Province. As such, funding may not be re-allocated out of this Funding Envelope, and any unspent funding from this Funding Envelope must be repaid by the participant to the Province, unless otherwise approved by the Province in writing. Subject to the restrictions applicable to other Funding Envelopes (see, for example, the restrictions on the Instructional Human Resources Funding Envelope), participants can move funding from other envelopes into the Facility costs Funding Envelope.

In the event of any rent, lease, or mortgage payment cost increases during the term of the participant's Funding Agreement, the participant may submit a request to the Province for additional funding to cover such increases, which may be approved or rejected at the Province's sole discretion.

ALLOWANCES

In addition to the Base Funding, additional funding Allowances are available to participants. These Allowances are available upon request or upon application to the Province on an annual basis. Each such request or application will be approved or rejected in the Province's sole discretion. As the OFM Test continues and the Province learns from participants, further categories of Allowances may be introduced.

Funding provided under these Allowances cannot be re-allocated to other Allowances, to the Funding Envelopes or be spent for any purpose other than for which they are intended. Any unspent Allowance funds must be repaid by the participant to the Province. Certain information and/or documentation will need to be provided by the participant to the Province in connection with each Allowance, some of which are discussed in more detail below.

CORE SERVICES ALLOWANCES

While participants are required to deliver inclusive, culturally safe programming, the funding model recognizes that additional funding may be required to fully meet the diverse needs of the communities, children, and families served. Participants may submit requests to the Province for the Indigenous Programming Allowance and the Support Needs Programming Allowance. See [Appendix A](#) for further details about eligible expenses.

Core Services Allowance Description	Requirements
<p>The Indigenous Programming Allowance is intended to provide additional funds to support and enhance a participant’s delivery of Indigenous curriculum in collaboration with Indigenous Peoples in their communities.</p> <p>Available upon request at any time during the year.</p>	<p>Funding: Block funding, pro-rated according to Facility size and upon the Province’s approval of the participant’s request</p> <ul style="list-style-type: none"> • \$5,000 for Facilities with an Operational Capacity of more than 20 children • \$3,500 for Facilities with an Operational Capacity of between 10-20 children • \$2,000 for Facilities with Operational Capacity of 9 or less children <p>Eligibility: All participants</p> <p>Eligible expenses: Expenses to enhance the participant’s delivery of Indigenous curriculum in collaboration with Indigenous Peoples in their communities</p> <p>Ineligible expenses include: Staffing enhancements</p>
<p>The Support Needs Programming Allowance is intended to help participants increase their ability to welcome children and families of all abilities by covering costs related to offering an inclusive and accessible child care service that are not covered by Base Funding or other provincial funding sources. Costs related to enhanced staffing are not included.</p> <p>Available upon request at any time during the year.</p>	<p>Funding: Block funding, pro-rated according to facility size and upon the Province’s approval of the participant’s request</p> <ul style="list-style-type: none"> • \$5,000 for Facilities with an Operational Capacity of more than 20 children • \$3,500 for Facilities with an Operational Capacity of between 10-20 children • \$2,000 for Facilities with Operational Capacity of 9 or less children <p>Eligibility: All participants</p> <p>Eligible expenses: Equipment, program resources, or minor Facility modifications to enhance inclusion for all children in the participant’s programming</p> <p>Ineligible expenses include: Staffing enhancements including support workers; individualized, therapeutic, or medical equipment</p>

DISCRETIONARY SERVICES ALLOWANCES

Participants may have costs related to Discretionary Services that are not funded under Base Funding. Participants may submit applications to the Province to receive Allowances for Discretionary Services. At the commencement of the OFM Test the only Allowance available for Discretionary Services is the Transportation Allowance. See [Appendix A](#) for further details about eligible expenses. Other Allowances for additional categories of Discretionary Services may be introduced by the Province through the term of the OFM Test.

Discretionary Services Allowance Description	Requirements
<p>The Transportation Allowance is for dedicated child care vehicles to safely transport children between a Facility and school or a collective point of access to support the regular, ongoing Core Services.</p> <p>Available by application</p>	<p>Funding:</p> <ul style="list-style-type: none"> Annual mileage of the participant’s designated vehicle will be reimbursed at the BC government standard mileage rate for private vehicles (2023/24: \$0.61/km) Financing/lease for designated child care vehicles as cost pass-through <p>Eligibility: participants using a designated vehicle exclusively to safely transport children between the Facility and school or a collective point of access where geographical distance or obstacle (e.g. a body of water) creates an ongoing barrier for families and participants</p> <p>Eligible expenses:</p> <ul style="list-style-type: none"> Applicable mileage of the participant’s designated vehicle will be reimbursed at the BC government standard mileage rate for private vehicles, which includes funding for the participant’s routine vehicle costs, such as fuel, insurance, depreciation, and routine maintenance. The participant’s actual lease or financing costs for the designated vehicle used exclusively to safely transport children for the purpose stated in the Eligibility section above. <p>The participant is required to submit supporting information and documentation relating to the estimated and actual mileage and lease/financing costs of the designated vehicle to the Province.</p> <p>Ineligible expenses include: Travel related to operations (e.g., grocery store), driver wages, other transportation, tickets or traffic fines, licensing costs</p>

PARENT FEES

The participant is responsible for charging and collecting the Parent Fee from each Parent with an Enrolled child and each child accessing a Drop-In Space. The Parent Fee for each Enrolled child and each child accessing a Drop-in Space will be capped as follows for all care types for all families:

Enrolment	Maximum Fee
Full days (4 hours or more), 5 days a week	\$200/month
Full days (4 hours or more), 1 to 4 days a week	\$10/day to a maximum of \$200/month
Half days (less than 4 hours), 5 days a week	\$140/month
Half days (less than 4 hours), 1 to 4 days a week	\$7/day to a maximum of \$140/month

Examples of Parent Fee collection/Enrolment:

- Full days (4 hours or more), 5 days a week, \$200/month = Child attends Monday through Friday, 8a.m. to 5p.m.
- Half days (less than 4 hours), 5 days a week, \$140/month = Child attends Monday through Friday, 8a.m. to 11:45a.m.

Participants must not charge Parent Fees that exceed the applicable amount set out in the table above, including where a Parent and a participant have separately agreed that the Parent will pay such excess amounts to the participant.

Except for the Optional Parent Fees described below, participants may not charge Parents additional fees beyond the Parent Fee noted above. \$10 a Day ChildCareBC sites, including those participating in the OFM Test, are not permitted to charge waitlist-related fees.

Optional Parent Fees:

Where approved by the Province, participants participating in the OFM Test may charge optional fee(s) (“Optional Parent Fees”) to Parents for Optional Parent Services not funded under the OFM Test. The Optional Parent Services for which Parents may be charged the Optional Parent Fees are strictly limited to the exhaustive list provided below. These Optional Parent Services must have been services that the participant was offering for an additional fee before October 12, 2023, as reasonably determined by the Province. New Optional Parent Services with charges to Parents may not be introduced after October 12, 2023.

Optional Parent Services offered for the payment of Optional Parent Fees must be continuously optional to families. To be considered truly optional, families must be allowed to choose not to receive the Optional Parent Service and continue to access the usual continuous Core Services at the Facility (e.g., the child’s Enrolment in Core Services must not be reduced or terminated due to a Parent’s decision to no longer access an Optional Parent Service). Participants are not permitted to require families to purchase one or more Optional Parent Services for their children as a condition of Enrolment at the Facility or accessing a Drop-In Space. Where the provision of Optional Parent Services for Optional Parent Fees is not approved by the Province, the participant must cover any such additional costs through other funding sources such as fundraising.

When participants receive their Funding Agreement, the Province will provide information about how to seek its approval to charge Parents Optional Parent Fees for Optional Parent Services. [2023 Operating Funding Model \(OFM\) Test Sites \(sharepoint.com\)](#)

Allowable OFM Test Optional Parent Services	
Meals	The participant may continue to offer meal programs that were in place prior to October 12, 2023. The participant may not introduce new meal services for an additional fee during the term of the OFM Test.
Uniforms	The participant may continue to offer for purchase standard uniforms to be worn by children at the Facility where such uniforms were offered prior to October 12, 2023.

	<p>This Optional Parent Service does not include safety equipment such as matching shirts for offsite trips or a small supply of clothing available on an as-needed basis (e.g., spare outerwear, underwear, socks) as funding for this equipment is provided through the Base Funding (i.e., the Programming Funding Envelope).</p> <p>The participant may not introduce uniform requirements for an additional fee during the term of the OFM Test.</p>
Extracurricular Activities	<p>The participant may continue to provide children at the Facility with the opportunity to participate in extracurricular activities (e.g., music, yoga, sports) where the participant was incurring additional costs for third party resources or expertise in relation to such activities prior to October 12, 2023.</p> <p>The participant may not introduce additional fees for extra-curricular programming during the term of the OFM Test.</p>
Additional Educational Programming	<p>The participant may continue to provide children at the Facility with the opportunity to participate in additional educational programming (e.g., tutoring) where the participant was incurring additional costs for third party resources or expertise in relation to such programming prior to October 12, 2023.</p> <p>The participant may not introduce additional fees for additional educational programming during the term of the OFM Test.</p>
Custom Transportation	<p>The participant may continue to offer to provide transportation between the Facility and the home, or alternate location as arranged with the Parent, of a child at the Facility, which begins or ends the child’s time in the participant’s care for the day.</p> <p>This Optional Parent Service does not include any transportation which may be covered by the Transportation Allowance (e.g., transportation to and from a child’s school and the Facility for before- and after-school care).</p> <p>The participant may not introduce additional fees for custom transportation arrangements during the term of the OFM Test.</p>

AFFORDABLE CHILD CARE BENEFIT

All \$10 a Day ChildCareBC sites, including participants, must accept families eligible to receive the Affordable Child Care Benefit (ACCB). Families may be eligible to have all, or part of the Parent Fee funded through the ACCB in accordance with provisions set out in the *Child Care Subsidy Act* and Child Care Subsidy Regulation. More information on the ACCB is available here: www.gov.bc.ca/affordablechildcarebenefit.

SHORT-TERM FUNDING ADJUSTMENTS

While the long-term goal of the OFM is to provide participants with standardized funding to cover the delivery of quality, inclusive and culturally safe child care services, the Province recognizes that learnings from the initial OFM Test phase are essential to future funding decisions to further develop the model. To this end, and for the initial OFM Test phase only, the Province may, in its sole discretion, grant a short-term adjustment to a participant's funding level, if the participant is able to demonstrate the financial need, to address unforeseen costs that are not included in, or intended to be covered through, one or more of the Funding Envelopes. This could, for example, include additional funding to ensure the Facility can meet its established facility costs if those costs exceed the funding allocated under the Facility Funding Envelope, or additional funding under the Instructional Human Resources Funding Envelope to temporarily match existing staffing levels. Participants will need to demonstrate a genuine, documented need for the funding adjustment, that the funding shortfall resulted from no fault on the part of the participant and that funding gaps cannot be addressed by moving funding between Funding Envelopes, acknowledging limitations on this practice (as discussed in other sections of this Manual).

The Province will not consider any requests for additional funding for expenses incurred without the Province's prior approval or after the conclusion of the Funding Agreement or where the shortfall is or could have been covered by another funding source, such as insurance, uncollected Parent Fees, or other government funding programs. In the future, the Province will reassess its willingness to adjust OFM Test funding levels and may discontinue additional funding adjustments made during the OFM Test phase. Participants can contact the Province at 10aDayCentres@gov.bc.ca for further information.

OVERPAYMENTS AND UNEARNED REVENUE

An overpayment means that funding has been paid to a participant that it was not eligible or entitled to receive or retain or that the participant has reported expenditures using funding on ineligible expenditures, including unauthorized allocation of funding from one Funding Envelope to another or use of Allowance funding for ineligible expenditures. The following is a list of some examples:

- if the participant has used funding for expenses that are not eligible;
- if the participant has re-allocated funds in contravention of a Funding Envelope's restrictions;
- as a result of a clerical or administrative error or miscalculation on the Province's part, or of incorrect information supplied by the participant to the Province; and
- as a result of funds being pre-paid to a participant for services that were not delivered to the extent they were funded.

Participants can find detailed information about overpayments and potential remedies in their Funding Agreement (Sections 11 and 12 of the Funding Agreement).

Clerical or Administrative Error Examples

A clerical or administrative error can include scenarios where funding is provided in error because of misinformation provided to or by the Province, resulting in administrative error or miscalculation. For example:

- part-time spaces being incorrectly funded as full-time spaces, or
- funding calculations based on incorrect information about a participant’s Operational Capacity.

Unearned Revenue Examples

Unearned revenue can include scenarios where the participant fails to use the funding as required under their Funding Agreement or for expenses deemed ineligible. For example:

- Ceasing to provide child care services as required under the Funding Agreement; or
- Failing to provide the required wage to Eligible Employees.

Further, as set out in the Funding Agreement, under-Enrolment for 3 consecutive months or more will result in unearned revenue that may be recovered in full by the Province. When service has not been deemed delivered, such as when Enrolment is consistently lower than reported Operational Capacity, the funding amount that a participant receives over and above the amount associated with the actual Enrolment numbers would be considered an overpayment.

SURPLUS FUNDING

Participants must submit financial records on the timelines set out in their Funding Agreement, including within six months following the end of their fiscal year. The Province will use these and any other applicable records, information, and documentation to calculate any surplus funding retained by the participant. Unless otherwise approved in writing by the Province in its discretion, participants must make any repayments owed to the Province within 30 calendar days of receipt of the Province’s demand for payment.

Participants may have additional sources of funding beyond the Province Base Funding (e.g., fund-raising, grants, donations, etc.) which may be used at the participant’s discretion. Using other sources of funding to pay for expenses funded by the Province may result in surplus funding for the participant. If a participant uses other sources of funding to pay for costs not funded by the Province, the other source of funding will not be included in a surplus funding calculation.

	Maximum Surplus % of Total Base Funding	Funding sources from which surplus may be retained	Funding sources from which surplus may be recovered by the Province
Not-For-Profit Organizations, Indigenous Not-For-Profit Organizations and Indigenous Government	5%	<ul style="list-style-type: none">• Certain Base Funding Envelopes:<ul style="list-style-type: none">○ Programming○ Administrative○ Operational	<ul style="list-style-type: none">• Certain Base Funding Envelopes:<ul style="list-style-type: none">○ Instructional Human Resources○ Facility

Private Organizations (ex: Corporations, Partnerships, and, Sole Proprietors)	3%		<ul style="list-style-type: none"> • Allowances
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If, after fulfilling all obligations as required under their Funding Agreement and subject to the terms applicable to each Funding Envelope, the participant has surplus Base Funding more than the maximum percentage permitted of the total Province Base Funding provided to it under their Funding Agreement and Parent Fees collected from Parents, this surplus funding in excess of the maximum percentage permitted is a debt owing to the Province. As described in the applicable Funding Agreement, not-for-profit organization, Indigenous not-for-profit organization, and Indigenous government participants may retain a maximum percentage of surplus of up to 5%, and private corporations, partnerships, sole proprietors, and any other for-profit participants (excluding home-based providers) may retain a maximum percentage of surplus of up to 3%. At present, surplus can only be retained from funding provided under the Programming, Administrative and Operational Funding Envelopes. No surplus can be retained from funds provided under the Instructional Human Resources or Facility Funding Envelopes.

In addition, the participant must repay any unspent funds from any Allowances to the Province, including the Indigenous Programming Allowance, the Support Needs Programming Allowance, and the Transportation Allowance.

CLOSURE POLICY

Closure periods are any days in which a Facility is not open and providing licensed child care, but do not include Provincial Statutory Holidays.

Scheduled Closures

Participants may temporarily close for up to two consecutive weeks, to a maximum of four weeks per calendar year (the “Maximum Scheduled Closure Period”)⁴ and continue to charge Parent Fees for such period of closure.

During scheduled closures, participants will only receive Province Base Funding provided under the Facility Funding Envelope and Allowances to the extent applicable. Funding under other Funding Envelopes, including the Instructional Human Resources Funding Envelope, will not be provided during scheduled Facility closures.

⁴ For clarity, the Maximum Scheduled Closure Period is defined as two consecutive weeks, to a maximum of four weeks per fiscal year, but does not include temporary closures for Provincial Statutory Holidays, or unplanned closures due to unforeseen circumstances.

For clarity, some scheduled closures may occur during periods that include Provincial Statutory Holidays. Participants will receive funding from the Province Base Funding for all days that fall within the scheduled closure period that are Provincial Statutory Holidays (e.g., Christmas Day and New Year’s Day during a scheduled closure over Christmas).

Additional Scheduled Closures

If a participant plans to temporarily close for a period of time which exceeds the Maximum Scheduled Closure Period (“Additional Closure”), and this period of closure has not otherwise been indicated in Schedule A of their Funding Agreement, the participant must obtain written approval from the Province prior to the closure. Further, the participant must not charge Parent Fees for the Additional Closure period without prior written approval from the Province. The Province will not provide any funding to participants during any Additional Closure periods, other than funding provided under the Facility Funding Envelope and Allowances to the extent applicable.

Closures Due to Unforeseen Circumstances

If a participant must close due to unforeseen circumstances (e.g., inclement weather, fires, floods) the provider must contact the Province at 10aDayCentres@gov.bc.ca as soon as possible, and ideally before the temporary closure.

During temporary closures due to unforeseen circumstances, the following policies apply:

- **Province Base Funding**
 - For unforeseen closures lasting up to 14 calendar days, participants will continue to receive their regular Province Base Funding as set out in their Funding Agreement that is in place at the time of the closure.
 - The Province may, at its discretion and on a case-by-case basis, adjust the participant’s funding to cover fixed costs only (e.g., rent/lease) if the period of unforeseen closure extends beyond 14 calendar days. Participants in this circumstance should contact the Province at 10aDayCentres@gov.bc.ca to discuss options.
- **Parent Fees**
 - The participant may continue to charge the Parent Fee during periods of unexpected closure not exceeding 14 calendar days. The Parent Fee charged must be the same as described above unless otherwise approved by the Province in writing.

Closures and the Affordable Child Care Benefit

- Under the Child Care Subsidy Regulation, the Affordable Child Care Benefit is not available when a Parent Fee is not charged, or when the Facility is closed.
- Any ACCB received in advance by the participant for the period of temporary closure must be returned to the Province. The participant should contact the ACCB program through the Service Provider Portal or their usual contact preference to self-report the overpayment for assessment.

MONTHLY REPORTING & INFORMATION SHARING

The Province and participants will work closely together during the OFM Test phase to refine the OFM, with the goal of confirming a stable funding formula to achieve child care as a service that families can rely on. Participants can expect increased monthly reporting requirements and increased requests from the Province to share information, including through focus groups, surveys, and interviews. The feedback submitted by participants through monthly reporting and information sharing is critical to support the Province's learning and refinement of the OFM.

The Funding Agreement sets out various requirements with respect to information and reporting, among other things. Some of these are discussed below.

MONTHLY REPORTING

The Monthly Report is required and due at the end of each month covering the preceding month. For example, the report for January 2024 will be due February 29, 2024. \$10 a Day ChildCareBC sites must complete their monthly reporting by entering data into the online reporting platform. The Province will provide the link to the monthly reporting platform via the SharePoint site.

For each Monthly Report, the participant will need to provide detailed information regarding:

- Capacity and Enrolment numbers for all types of care;
- Early Childhood Educator hours and certificate numbers for all staff;
- Funding Envelope expenses and movement of funds between Funding Envelopes;
- Optional Parent Fees charged;
- Other sources of revenues including donations, grants, fundraising, etc.; and
- Additional information as required.

The Province will monitor and review participants' capacity, costs, and expenditures through the Monthly Reports. It is essential that these reports are completed on time to allow for communication with participants as necessary to clarify or gather additional information. Monthly Reports indicating that a participant's funding may require adjustment could result in further action by the Province.

FINANCIAL REVIEW

Financial reporting requirements are set out in Section 15 and Schedule D of the Funding Agreement, and stipulate what types of financial information are required from participants at what points in time. The Province will provide a template to support participants in meeting this requirement. For annual financial statements, this information is required no later than 6 months after the end of a participant's fiscal year within the term of the Funding Agreement.

Note: Annual financial statements must be completed in accordance with Canadian generally accepted accounting principles.

RESOURCES

To support participants and early childhood professionals in the delivery of quality, inclusive and culturally safe child care services, some additional resources are provided below. These resources are for information purposes only and may be added to and updated in future versions of this Manual.

General Child Care Resources

- \$10 a Day ChildCareBC Centres: [ChildCareBC Centres - Province of British Columbia \(gov.bc.ca\)](https://www25.intellicms.com/childcarebc)
- ChildCareBC: [ChildCareBC - Province of British Columbia \(gov.bc.ca\)](https://www25.intellicms.com/childcarebc)
- Affordable Child Care Benefit: [Affordable Child Care Benefit - Province of British Columbia \(gov.bc.ca\)](https://www25.intellicms.com/childcarebc)

Resources to Support Early Childhood Professionals

- Child Care Resource and Referral: [Child Care Resource and Referral Centres - Province of British Columbia \(gov.bc.ca\)](https://www25.intellicms.com/childcarebc)
- Support for Early Childhood Professionals: [Support for early childhood professionals - Province of British Columbia \(gov.bc.ca\)](https://www25.intellicms.com/childcarebc)

Resources to Support Quality, Inclusive Programming

- British Columbia Early Learning Framework (BC ELF): [Early Learning Framework – Province of British Columbia \(gov.bc.ca\)](https://www25.intellicms.com/childcarebc)
- Early Childhood Pedagogy Program: [Early Childhood Pedagogy Network – University of Western Ontario](https://www25.intellicms.com/childcarebc)
- First Nations Pedagogy Network: [BCACCS](https://www25.intellicms.com/childcarebc)
- ECE Peer Mentoring Program: [ECEBC](https://www25.intellicms.com/childcarebc)
- Inclusive Child Care Toolkit: [Inclusive Child Care Toolkit – Province of British Columbia \(gov.bc.ca\)](https://www25.intellicms.com/childcarebc)
- Foundations of Inclusive Child Care Online Training: [The Foundations of Inclusive Child Care Training Part 1 - Early Years Professional Development Hub \(bcearlyyearshub.ca\)](https://www25.intellicms.com/childcarebc)
- Inclusive Toileting Resources: [Inclusive Child Care - Province of British Columbia \(gov.bc.ca\)](https://www25.intellicms.com/childcarebc)

Resources to Support Indigenous Cultural Safety

- Aboriginal Child Care Resource and Referral Program: [Aboriginal Child Care Resource and Referral Program - BC Aboriginal Child Care Society \(acc-society.bc.ca\)](https://www25.intellicms.com/childcarebc)
- MNBC Early Years: [Education: Early Learning | K-12 | MNBC](https://www25.intellicms.com/childcarebc)
- Indigenous Early Learning and Child Care Frameworks: [Indigenous Early Learning and Child Care - Canada.ca](https://www25.intellicms.com/childcarebc)
- [Early Years Indigenous Cultural Safety Resource Guide](https://www25.intellicms.com/childcarebc)

Resources to Support Child Care Facilities

- Childcare BC Maintenance Fund: [Maintenance Fund - Province of British Columbia \(gov.bc.ca\)](https://www25.intellicms.com/childcarebc)
- Government of Canada's Enabling Access Fund: [Enabling Access Fund \(gov.gc.ca\)](https://www25.intellicms.com/childcarebc)

KEY CONTACT

If you have any questions about the \$10 a Day ChildCareBC Initiative, please contact 10aDayCentres@gov.bc.ca or 1-888-338-6622, Option 7.

Participants with questions or concerns related to their Funding Agreement or changes in their circumstances should contact 10aDayCentres@gov.bc.ca or 1-888-338-6622, Option 7 to speak to a Child Care Services representative.

APPENDIX A – ELIGIBLE EXPENSES

BASE FUNDING ELIGIBLE EXPENSES

Instructional Human Resources Funding Envelope

This Funding Envelope is for the specific eligible human resources and professional development cost line items set out in the body of this Manual, for employees who provide Core Services. This Funding Envelope excludes employees who provide administrative, janitorial or similar services, which are provided for under other Funding Envelopes. Information about the specific line items funded via the Instructional Human Resources Funding Envelope can be found in the main body of this Manual.

Programming Funding Envelope

This Funding Envelope is for eligible expenditures associated with delivering early childhood program elements of the Core Services.

Food

Includes: Snacks

Programming Supplies

May include: books, toys, art, materials, diapers, bedding, art materials, clothing (e.g. matching shirts for offsite trips and a small supply of clothing available on an as-needed basis, such as spare outerwear, underwear, socks), other program equipment

Small Equipment

May Include: cribs, strollers, easels, and tables

Program Activities

May include: field trips or regular extracurricular activities for which Optional Parent Fees are not payable.

Cultural Programming

Materials and resources in alignment with the [BC Early Learning Framework](#). See the [Indigenous Programming Allowance](#) for more information and funding available to participants.

Inclusion Programming

Materials and resources in alignment with the [BC Early Learning Framework](#) and the [Inclusive Child Care Toolkit](#). See the [Support Needs Programming Allowance](#) for additional information and funding available to participants.

Health & Safety Supplies

May Include: cleaning materials, gloves, masks, hand sanitizer, first aid kits, earthquake kits, etc.

Administrative Funding Envelope

This Funding Envelope is for eligible human resources and administrative expenditures not directly associated with delivery of Child Care Services and not covered by any other Funding Envelope.

Non-Instructional Wages and Human Resources Administration (including Driver Wages)

Dues associated with being registered with the ECE registry or other child-care related professional association.

Licensing costs

Legal expenses, pre-approved by the Province, related to business operations
Liability Insurance
Communications and Marketing
Mileage for Business Related Travel <i>Funding for staff travel costs for business related to the operations of the business, such as grocery shopping for food covered under the Base Funding, and that are not covered by any other Funding Envelope. This does not include costs for transporting children supported under the Transportation Allowance or any transportation associated with any Optional Parent Service, including Custom Transportation.</i>
Office Supplies
Other Overhead Costs <i>May Include: accounting expenses, bank charges, recruitment expenses, financial reporting/accounting/audit expense</i>

<u>Operational Funding Envelope</u> <i>This Funding Envelope is for costs associated with operating and maintaining the Facility, excluding rent, lease or mortgage costs.</i>
Monthly or Annual Maintenance and Minor Repairs <i>May Include: costs directly related to labour costs, property insurance, utilities and garbage disposal</i>
Office Furniture and Equipment <i>May Include: laptops, tablets, cell phones used for the operation of the business, desks, chairs, tables, etc</i>
Utilities <i>May Include: gas, electricity, water, phone, internet</i>
Upkeep <i>May include: garbage removal, recycling charges, applicable supplies</i>
Facility Maintenance and minor improvements <i>May Include: repairs, appliance/furniture replacement, snow removal</i>
Janitorial Services <i>Provided by arm's length third party</i>
Other Operating Expenditures - Contact the Province for further information.

<u>Facility Funding Envelope</u> <i>This Funding Envelope is for eligible expenditures associated with the rental, lease, or mortgage costs for the Facility. Funding for eligible expenditures in this Funding Envelope is provided on a cost pass through basis up to a maximum eligible amount determined by the Province. All costs associated with this Funding Envelope must be to an arm's length third party.</i>
<i>Eligible expenditures for amounts allocated to this Funding Envelope are limited to those listed below.</i>
Rent/Lease costs
Mortgage costs (principal and interest)⁵
Strata Fees
Property Taxes

⁵ Corporations, partnerships, sole proprietor Participants (excluding Home-based) are not eligible to receive funding under the OFM Test to cover mortgage payments for privately held assets.

<p>Non-Eligible Items <i>Items not funded by Base Funding, Allowances, or Optional Parent Fees must be covered by the participant through other funding sources, which can include fundraising, grants, etc. Examples of non-eligible items are listed below. Contact the Province for further information about non-eligible items.</i></p>
<p>See limited eligible items permitted to be funded through Optional Parent Fees.</p>
<p>Proprietary programming fees and materials, licencing, training, certification, and salary premium costs.</p>
<p>Legal Expenses, except to the extent expressly pre-approved by the Province under the Administrative Funding Envelope</p>
<p>Bad Debts (e.g. unpaid parent fees)</p>
<p>Loans (except for mortgages funded under the Facility Funding Envelope and car loans under the Transportation Allowance)</p>
<p>Amortization</p>

ALLOWANCE ELIGIBLE EXPENSES

Core Services Allowance Description	Eligible Expenses
<p>The Indigenous Programming Allowance is intended to provide additional funds to support and enhance a participant’s delivery of Indigenous curriculum in collaboration with Indigenous Peoples in their communities.</p> <p>2023 Operating Funding Model (OFM) Test Sites (sharepoint.com)</p>	<p>Eligible Expenses may include (but are not limited to):</p> <ul style="list-style-type: none"> • Honoraria for Elder involvement, language revitalization and/or other resource people including curriculum development resources. • Culturally based meals and traditional foods. • Materials for a cultural program (beads, wood, food, etc.). • Books, music, videos, and arts and crafts materials. • Culturally relevant toys and games. • Facility décor enhancement-pictures, including artwork, outdoor play, and natural materials. • Field trips and outings. • Land-based play supports <p>Ineligible Expenses include: Staffing enhancements for the purposes of reducing ratio.</p>
<p>The Support Needs Programming Allowance is intended to help participants increase their ability to welcome children and families of all abilities by covering costs related to offering inclusive and accessible child care service that are</p>	<p>Eligible Expenses include equipment or resources intended to enable all children, including Children with Support Needs, to participate meaningfully with other children at the Facility.</p> <p>These expenses:</p> <ul style="list-style-type: none"> • May be used to enhance resources and materials expected to be provided in a child care setting with the intention of increasing accessibility and inclusion for all children. For example, a child who has difficulty accessing the sink and toilet because of mobility challenges may benefit from a ramp and/or a robust toileting step stool to maintain stability while toileting.

<p>not covered by Base Funding or other provincial funding sources. Costs related to enhanced staffing are not included.</p> <p>2023 Operating Funding Model (OFM) Test Sites (sharepoint.com)</p>	<p>This modification would be beneficial for all children at the Facility, increasing inclusion and accessibility overall.</p> <ul style="list-style-type: none"> • May include resources to proactively support inclusion of children with diverse needs (e.g., sensory toys). • May address accessibility enhancements in the Facility (e.g., wheelchair ramps, automatic door installations, and bathroom renovations). <p>Ineligible Expenses include:</p> <p>Funding may not:</p> <ul style="list-style-type: none"> • Pay for additional staffing to support individual children on the floor, including short- or long-term support workers. • Be used for individualized, therapeutic, or medical equipment (e.g., specialized stroller, specialized car seat).
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Discretionary Services Allowance Description	Eligible Expenses
<p>The Transportation Allowance is for dedicated child care vehicles to safely transport children between a Facility and school or a collective point of access to support the regular, ongoing Core Services</p> <p>2023 Operating Funding Model (OFM) Test Sites (sharepoint.com)</p>	<p>Eligible expenses:</p> <ul style="list-style-type: none"> • Lease or Financing Costs: Participants will submit their monthly financing/lease costs for designated vehicles used by the participant for the purposes of safe transportation of children between the Facility and school or a collective point of access where geographical distance or obstacle (e.g. a body of water) creates an ongoing barrier for families and participants. Additional information may be required where financing costs are different from the previous years’ identified lease information. • Mileage: Participants will submit their estimated applicable mileage for the year for their designated vehicle. This Allowance supports all routine, non-lease related vehicle costs, including fuel, insurance, depreciation, and routine maintenance, through the BC government standard mileage rate for private vehicles, which is \$0.61/km for 2023/24. At the end of each year, participants will be required to submit their actual mileage for applicable child care transportation with their OFM Test-specific statement of operations. Where the actual mileage is lower than the participant’s original estimates, the participant must repay the applicable funds to the Province. <p>Ineligible Expenses: This Allowance is not intended to support, among other things:</p> <ul style="list-style-type: none"> • Funding to transport children to and from program activities (e.g., field trips or regular extracurricular activities) or to and from custom locations (e.g., the child’s home or parents’ place of employment). This would be covered under the Programming Funding Envelope and Optional Parent Fees for Custom Transportation under the Optional Parent Services, as applicable.



	<ul style="list-style-type: none">• Reimbursement of staff for activities related to child care operations (e.g., travel to the grocery store). This would be covered under the Administrative Funding Envelope.• Wages for dedicated driving staff. This would be covered under the Administrative Funding Envelope.• Other forms of transportation, such as ferries, taxis, or ride sharing services, or rental of vehicles.• Costs related to vehicle accessibility modifications.• Drivers' licensing costs.• Tickets or other traffic violation fines related to transportation.
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APPENDIX B - GLOSSARY

The following is a list of some of the defined terms that are used in this Manual. For the purposes of this Manual, these defined terms have the definitions set out below. Other capitalized terms used in this Manual will have the meanings set out within the Manual or in the Funding Agreement, as applicable.

Affordable Child Care Benefit or ACCB – The child care subsidies paid by the Province under the *Child Care Subsidy Act*.

Allowances – The additional funding that the Province may provide to a participant to further support the delivery of the Core Services or to provide Discretionary Services (as applicable).

Base Funding – The funding that a participant receives for the provision of the Core Services, which consists of the Province Base Funding and the Parent Fees.

Child Care – The provision of child care services at a Facility.

Child Care Services– The Core Services, Discretionary Services and Optional Parent Services.

Core Services – The provision of Child Care to Enrolled children at a Facility and any children accessing a Drop-In Space, which are funded through the Base Funding.

Discretionary Services – Those services delivered by a participant, in its discretion, which are funded by the Province through the Transportation Allowance or such additional Allowances as the Province may, in its sole discretion, make available to participants in the future.

Drop-In Space – The utilization of an Enrolled Space on a casual or emergency basis at a Facility where an Enrolled child is not present at the Facility on one or more days for which that child is Enrolled.

Early Childhood Educator (ECE) – An individual who holds a current, valid “Early Childhood Educator” certificate, “Infant and Toddler Educator” certificate, or “Special Needs Educator” certificate issued by the BC Early Childhood Educator Registry.

Eligible Employee – Each employee occupying a role set out in the “Wage Grid” table in the “Instructional Human Resources Funding Envelope” part of the Base Funding subsection of this Manual.

Enrolment or Enrolled – The registration of children full- or part-time in any given month at a Facility for a specific type of Child Care and on specific days within the Operational Capacity; and for clarity, excludes children accessing Drop-In Spaces.

Enrolled Space – A Child Care space allocated to a particular child as per their Enrolment.

Facility – The facility described in a participant’s Funding Agreement where the applicable participant is providing Child Care Services for which a valid Facility Licence has been issued.

Facility Licence – The child care licence(s) for a Facility issued under the *Community Care and Assisted Living Act*.

Full-Time Equivalent or **FTE** – A unit of time worked equal to one person working 1957.5 hours in a one-year period.

Funding Agreement – The applicable Operating Funding Model Test (Phase 1 – 2023 Intake) Agreement between the Province and a participant.

Funding Envelopes – The five funding envelopes set out in the “Base Funding” subsection of this Manual.

Funding Envelope means any one of the Funding Envelopes as the context requires.

Licensed Capacity – The total number of Child Care spaces allowed at a Facility under the Facility Licence.

Manual – This \$10 a Day ChildCareBC Sites: Operating Funding Model Test: Phase 1 - 2023 Intake Policy and Procedures Manual.

Monthly Report – The monthly report for a Facility operated by a participant for the OFM Test.

Operational Capacity – The total number of Enrolled Spaces and Vacant Spaces at a Facility that may be occupied by a child at the Facility during the times that the Facility offers Child Care.

Optional Parent Fees – See the “Optional Parent Fees” part of the Parent Fees subsection of this Manual.

Optional Parent Services – Those services detailed in the table in “Optional Parent Fees” part of the Parent Fees subsection of this Manual that a participant was providing prior to October 12, 2023 which are not covered by the Base Funding and which may be offered by the participant, at its discretion, to Enrolled children at the applicable Facility and any children accessing a Drop-In Space.

Parent – A parent or a person standing in the place of a parent with respect to a child Enrolled in Child Care or a child accessing a Drop-In Space.

Parent Fee – The capped portion of Base Funding for Enrolment that a participant will charge Parents, exclusive of Optional Parent Fees.

Province Base Funding – The funding that the Province provides a participant under the Funding Agreement for the provision of the Core Services.

Provincial Statutory Holidays – Statutory holidays under law in the province of British Columbia, which are, as of the date of this Manual, New Year’s Day, Family Day, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, National Day for Truth and Reconciliation, Thanksgiving Day, Remembrance Day, and Christmas Day.

Universal Service Standards – The minimum Child Care Services standards for the provision of Child Care to children at a Facility, as described in this Manual.

Vacant Spaces – The number of part-time and full-time available Child Care spaces at a Facility that are not filled through Enrolment.