Universal Child Care Prototype Sites
Frequently Asked Questions

Updated: August 21, 2018

Beginning October 2018, Universal Child Care Prototype Sites will test funding models and operational supports required to move British Columbia towards a universal child care system. Parents with children in the prototype sites will pay $10 or less a day, per child, for full-time child care.

Prototype sites will be selected to represent the diversity of British Columbia’s geography, populations, and parent needs. They will also reflect a range of service models, operated by both non-profit and private organizations, so the Province can gain a deeper understanding of how best to support licensed child care operators to provide quality care.

Close to 1,800 licensed child care spaces will be included in the prototype sites, which will support licensed infant/toddler (under 36 months) spaces; however, selected prototype sites that provide licensed child care for older children (aged 3 years to Kindergarten and school-aged) will also have those spaces covered.

It is expected that sites will be selected, contracts negotiated, and sites operational between October 1, 2018 and March 31, 2020.

General Questions

1. Can you provide a simple definition of a prototype site?

Prototype sites will model universal child care in British Columbia. The licensed child care facilities will begin to operate as prototype sites in October 2018. The facilities, which are being selected through an open procurement process, will offer child care at a cost of $200-a-month per child and information from their operations as prototype sites will help guide the development of universal child care.

2. What advantages are there for a provider to become a prototype site?

Approved sites will be on the leading edge of one of the largest social policy changes in B.C.’s history. The positive financial impact on parents with children in these prototype sites will be significant.
As well, as an early adopter you’ll have one-time access to funding for a Quality Improvement Grant to implement programs, initiatives and facility improvements under the terms of your contract with the ministry, aimed at supporting the delivery of quality child care. The grant will be available to all participating prototype sites.

3. **Why don’t you just directly provide parents with the funding to bring down their child care costs to create affordable child care?**

We looked at various ways to make child care affordable including lessons learned from other Canadian and international jurisdictions — including through tax credits, which would have required a change to federal tax processes.

In some jurisdictions, providing funds directly to parents resulted in increased parent fees, which eroded the benefit for families.

Affordability is one of Government’s top priorities, as demonstrated through the recent introduction of the CCFRI and the planned September 1, 2018 implementation of a new Affordable Child Care Benefit. Government needs a new model that supports both parents and providers, and has the necessary mechanisms in place to ensure accountability for public funding.

The prototype site initiative allows the ministry to partner with providers to look at different ways of providing child care within a universal model.

4. **Where is the money coming from to pay for the prototype sites?**

Prototype sites are being funded under the terms of the $30-million per year Canada-British Columbia Early Learning and Child Care (ELCC) Agreement which has as its goal to increase affordability of child care through operational grants to child care providers beginning with infant/toddler care.

5. **Will Universal Child Care ultimately eliminate private operators?**

We respect that parents want and expect choice in their child care based on their individual needs. Recognizing the place private child care holds in the B.C. system, the Province approached the federal government and successfully negotiated eligibility criteria for prototype sites that include private organizations delivering licensed child care.
Eligibility including ages of children under care

6. Who is eligible to apply?

Applications are open to licensed facilities currently providing licensed child care for infants/toddlers “under 36 months” (the facility may also hold other license types under the child Care Licensing Regulation, but at a minimum must hold a license for the “under 36 months” care category), have been enrolled in Child Care Operating Funding (CCOF) for the past two consecutive years, and have been accepted in to the Child Care Fee Reduction Initiative (CCRFI) at the time of their application. The licensed facility must also be in good standing with the local Health Authority. For a full list of eligibility criteria please review Section 1 of the Application. For assistance in filling out the application, please review the Applicant Guide or call 1 888 338-6622 (option 5).

7. What if we apply to become a prototype site, but have not opted in to the Child Care Fee Reduction Initiative (CCFRI)?

An applicant must fulfill 10 requirements for their application to be a prototype site to be considered. Participation in the Child Care Fee Reduction Initiative is one of those 10 requirements.

The Province is limiting participation to those providers that have been approved to enroll in the CCFRI as this demonstrates the provider’s commitment to supporting families through reduced monthly costs.

Providers who have not yet applied to enroll in the CCRFI or have an application under reconsideration, and want to apply to become a prototype site, must apply to and be approved to enroll in the CCRFI at the time of their application for this project.

Once selected as a prototype site, operating revenue from the Province will be streamlined into one payment —monthly or quarterly, depending on the provider’s preference.

8. Do I qualify to apply if this is the second year receiving CCOF funding and I am also enrolled in the Child Care Fee Reduction Initiative?

As you have not been in receipt of CCOF funding for two full years, you are not eligible to apply to become a prototype site.

9. Why do providers need to be enrolled in the CCOF program for two consecutive years to be part of this initiative?
We are looking for experienced and stable providers to participate in the prototype sites. Two years of continuous CCOF enrollment will help ensure that applicants are established and stable.

10. **If my organization has been a CCOF provider for years, but the facility that I want to be a prototype has not received CCOF for two consecutive years, can I apply?**

Yes. Two years of continuous CCOF enrollment will help ensure that applicants are established and stable. However, for a large organization that has other facilities, any site – either existing or new – under that organization would be eligible.

11. **What is the largest number of eligible spaces you are willing to consider through one organization?**

There is no maximum number of eligible spaces per site.

12. **Can child care operators with more than one site apply to have several of their facilities become prototype sites?**

In principle, yes. Operators who have multiple locations can put in single applications for any of their locations that meet the 10 eligibility criteria. However, the selection committee will be looking to have prototype sites throughout the province that represent a variety of models, both private and not-for-profit.

13. **Our child care facility operates in a community hub, which houses other social programs, and we centralize some of the operational costs, including utilities. How would this impact eligibility?**

As prototype funding will only cover the portion of shared costs linked to the child care services provided in the hub, providers should work out how much of all shared costs should be applied to the child care portion of the operations.

Applicants who do not break out such costs will be asked to do so before being considered as a prototype site.

14. **What if my facility is planning an expansion, would all the spots be eligible for $10/day if the spots come on stream midway through the prototype project? E.g. summer 2019.**
Only spaces licensed at the time of application will be considered for funding.

15. What about sites that operate full days but don’t operate for the full week i.e. Monday to Thursday. Would they be eligible?

Yes. As part of the selection process, the ministry wants to have a range of child care service structures as part of the prototype site trial in order to help gain a more fulsome understanding of the many options that make up the child care sector in B.C. Whatever you currently offer in terms of services and hours would be continued under a prototype funding agreement.

16. We run a not-for-profit daycare with multiple programs: infant/toddler, 3 years to Kindergarten, and before/after school care. If we get selected, would it be just for the Infant/Toddler programs or all of them?

The Ministry of Children and Family Development will fund all licensed child care spaces at each approved site.

However, licensed Infant/Toddler child care is the priority — as required under the terms of the Canada-British Columbia Early Learning and Child Care Agreement — and, therefore while the ministry will fund all the spaces at a selected prototype site, we are limited in the number of school-age child care spaces we can fund generally.

17. I am currently in the process of applying for a second multi-age license. Would we include these spaces as part of the application?

Only spaces licensed at the time of application will be considered for funding.

18. I am a child care facility owner that has my child enrolled in one of my licensed child care spaces and where I provide direct care. If I am accepted to participate as a prototype site, will I be eligible to receive operating funding for my child?

One objective of the prototype sites is to gain more information on the costs of providing child care in a universal system. To achieve this, all child care spaces accepted for this initiative will be eligible to receive funding, including spaces occupied by a facility owner’s child. Facility owners in these circumstances will be required to disclose to the ministry how many spaces are occupied by their own children prior to entering into the contract.

19. The application states that, in order to be eligible to apply, my facility must be willing to facilitate an economic analysis. What does this mean?
Successful applicants will participate in an evaluation of the prototype sites funding model that will collect information on the impacts of the funding on child care fees, program quality, and provider and family outcomes. This information will be used to inform decision making regarding how to improve the funding model as B.C. continues to transitions to a universal child care system.

Part of this evaluation will involve studying prototype sites’ business information in order to gain a better understanding of the cost of child care in various business models. Successful applicants will be asked to provide detailed information and documentation on monthly program expenses, including facility costs, staff wages, and administration costs. This information will be gathered and stored using confidential methods consistent with the requirements under your contract with the ministry and under the Freedom of Information and Protection of Privacy Act.

Application process

20. How recent do the audited financials need to be? Our financials will not be ready until after the application period closes. Will previous year’s statements (eg. 2016/2017 fiscal year) be accepted?

Because the ministry will use providers’ financial information to determine the level of funding you will receive as a prototype site, it’s critical the information be as accurate and up to date as possible (i.e. reflecting the most recent reporting period for your organization). The information you provide in the application must correlate with the period covered by audited financial statements or other financial information you have provided as part of your application.

If your organization’s reporting cycle means that the last complete year you have available to you is 2016/17, the ministry will accept this, but you may be required to provide additional information to ensure that costs and revenues have remained consistent since that time because this information is what your payments will be based on.

21. What financial records are acceptable to verify the revenue and expense figures required in my application?

There are several types of financial records the ministry will accept to support your application, including but not limited to:

- Audited financial statements;
- Financial statements signed by your authorized representative (i.e. bookkeeper, certified accountant, finance manager, etc.); and/or
• Reviewed Financial Statement.

If you need help or have any questions, please contact the ministry at 1 888 338-6622 (option 5).

22. I am a family-based child care and I don’t have audited financial statements. What do I do?

For inclusion in the prototype program, we need financial statements that have been verified by an independent third-party, detailing your facility’s revenues and expenses. Applications will be accepted for one month, in recognition that providers may require some time to gather the requested documentation. While this may come at a cost, all applicants who meet the 10 program criteria and submit all the required documentation will receive a payment of $100 to assist with any costs you may incur in gathering the requirements for your application.

23. Can you define “independently verified” financial statements? For example, large multi-service organizations or public institutions have financial statements prepared in house by their financial departments. Does that meet the requirement of independently verified?

Yes, that meets the requirement of having independently verified financial statements.

24. Our financial statements include all centers combined. How would that affect things if I only apply for one?

You will need to ensure that the financial statements you provide with your application include information specific to the facilities you are putting forward for inclusion in the prototype program. This may require additional efforts on the part of your financial officer or accountant to separate these costs out.

25. With respect to submitting our financial statements that would inform how much we are funded –if we receive additional enrollment to our site, would we receive additional funds to subsidize these child care spots?

We recognize that there could be changes to a facility’s operating revenue and expenses that may not be predicted at the time of application.

Participating prototype providers will have the ability to have the amount of their contract reassessed if they experience extraordinary circumstances that are outside their control.
26. The application requires a list of all sources of operating revenue. Am I going to be penalized because some extracurricular activities are supported by fundraising efforts like bake sales and selling entertainment books?

No. The information being gathered from the prototype sites is intended to give the Province a better overview of how all types of child care providers support their operations. The only type of revenue information relevant to selecting sites is operating revenue, which in most cases comes from parent fees and government operational funding (CCOF/CCFRI, and Child Care Subsidy). Providers who have fundraised for special circumstances should expect to continue with those activities.

27. Questions on the prototype site application are specific to the families currently enrolled in the applicant’s child care facility (June/July), but programs (particularly for children under 36 months) experience a high turnover of their enrollment each September. Given this, how is the selection committee adjusting for possible changes in the profiles of the enrolled families? Will the approved sites have the opportunity or requirement to update their information on family profiles?

For site selection purposes, the ministry will only assess the makeup of the families at the facilities at the point of application. You will not be required to update during the application period.

28. Will there be a requirement to submit ongoing financial results?

Successful applicants will be required to participate in an evaluation of the prototype sites funding model that will collect information on the impacts of the funding on child care fees, program quality, and provider and family outcomes. This information will be used to inform decisions regarding future funding models as B.C. continues to transition to a universal child care system.

29. Why does the ministry need to see my program policy document?

The ministry will review your facility’s policy guide/handbook, in order to verify that your facility has comprehensive, transparent, and inclusive policies in line with the objectives of the project. Examples of inclusive policies may include commitments to diversity and social inclusion, a commitment or list of services and/or supports for children with additional support needs, and the role of families in the facility.

30. Can the applicant attach supporting documents (i.e. certificates for professional development) that enhance our program?
There is a section of the application where any documentation the applicant believes relevant to strengthening their application can be added. However, documents that are not requested in the application or which do not directly relate to a given question in the application will not be considered as part of the scoring of applications.

31. **When will the final contracts for the selected prototype sites be available to view?**

The contract will be posted to the program web page as soon as it is ready. We are working to ensure the contract is accurate and easily understandable. This is a new approach to funding child care and we need to be certain the contract is workable for both proponents and government.

Once the contract is posted, we will hold an information session later this summer to walk through the details of the contract for child care providers under consideration as prototype sites.

32. **If during the process additional information is made available, are we able to withdraw our application or decline our selection to be a prototype site?**

An applicant can withdraw their application at any time up until they have signed a contract with the Province. Once selected, the applicant will have ample opportunity and access to address any outstanding questions they may have. This will hopefully result in a high degree of comfort and enthusiasm around their participation in the prototype initiative.

33. **What if I miss something in my application?**

We will review all applications for completeness and notify those who are missing information. If you are notified, you will have one week (up to the deadline) to submit the requested information. To be clear, this will not include asking for additional information on answers provided — as that would not be administratively fair to all applicants — however, if an attachment was missed or a question unanswered, we will provide an opportunity for that to be rectified.
Other funding impacts related to prototype sites

34. How much funding will my organization get? How is funding calculated?

As a prototype site, the Province will establish an individualized funding payment based on your reported revenues, with the exception of parent fees of $10/day (max $200/month) for full-time enrollment for each child care space. This base amount will be supplemented with an administrative top up of 5% in recognition of administrative costs. The total amount of funding will be customized to each facility, accounting for the variation in costs and organizational models in the child care sector. The ministry will base the payment amount on your reported revenue—which is why we require that the financial documentation be verified by an independent third party.

35. If I am successful as a prototype site, but I also apply for Major Capital Funding and get approved, would the newly created facility/spaces be eligible for the prototype site funding?

No. Only spaces licensed at the time of application are covered in the prototype initiative.

36. Will parent late fees for additional hours be covered under this funding?

No. Those would be additional fees that are not covered under this funding. If a facility chooses to charge late fees, they can continue to do so and would collect those fees themselves.

37. Can my facility charge a waitlist fee while participating as a prototype site?

Prototype sites will be eligible to receive additional funding in recognition of increased administrative requirements associated with being a prototype site. This funding is intended to cover any costs associated with managing waitlists, and therefore prototype sites may not charge waitlist fees from parents during the course of their contract term. A prototype site may charge families applying to the facility’s waitlist a deposit (in accordance with the facility’s existing policy), which must be applied to the family’s initial child care fees.

38. What if I have a serious repair that is needed to my facility and wasn’t included in my costs on my application?

Prototype sites will remain eligible for the Childcare BC Maintenance Fund (formerly known as the Child Care Minor Capital Funding Program) to help with needed repairs or the replacement of equipment to bring the facility up to licensing standards.
39. **What happens if my rent goes up during the contract period?**

Anticipated costs will be built into your contract, but prototype site operators will be able to have the amount of their contract reassessed if they experience extraordinary circumstances outside of their control.

40. **What if I have been a registered facility for many years, but I think I might expand and/or relocate. Would that cause me to be disqualified?**

Relocations that do not result in a disruption (closure) of services would not be grounds for disqualification. If that is your plan, please be sure to include information about that in your application.

**Selection Process**

41. **How will the prototype sites be selected?**

Prototype sites will be selected through an application process, supported by an expert panel to ensure that various decision factors — like the diversity of British Columbia’s geography, populations, service models, and parent needs — are represented and that the range of sites will provide the Province with a deeper understanding of what contributes to quality care, a sustainable and engaged workforce, and effective organizational structures.

42. **When will I know if my application was successful?**

With the goal of having prototype sites up and running by fall 2018, we will be working to have sites selected by the end of summer. This will give sites time to consider the contractual arrangement, notify parents of the change once approved, and prepare for the transition to the new funding model.

43. **Will the selection committee choose locations knowing the names of the locations, or will they be anonymous? How are you ensuring non-bias on the committee?**

Fair treatment of vendors has been an important consideration for the ministry from the planning stages of the procurement opportunity and will remain so through to the post-contract evaluation.

For the selection committee’s review, the applications will be anonymous. The selection committee will consider the entire applications, except the names of facilities. The committee
will be supported by an expert panel to ensure that the diversity of British Columbia’s geography, populations, service models and parent needs are represented the final selection.

The Province’s rules for procurement have a clear and thorough process for any applicant who may feel they have not been treated fairly. Read more information about the procurement process.

44. If applicants request to see a copy of their application if not successful, will they receive feedback?

Yes, in keeping with the Province’s rules on procurement, unsuccessful applicants can be debriefed to better understand the process and the strengths and weaknesses of their submissions.

45. If I am not accepted into the project, can I appeal the decision?

It’s important to understand that not every eligible application may be approved, due to the limited funding available. Decisions for successful prototype sites will be final. Ministry staff will be available to provide feedback and rationale for the decision, but given the target of 1,800 spaces, the ministry will be unable to fund all eligible applications.

46. Will there be more opportunities to apply to become a prototype site?

As of this time, there is no consideration of future intakes. Once we have evaluated the program, the intention is to use the information to inform decision making regarding how to build a universal, high quality, affordable and accessible system of child care for any family who wants or needs it.

Prototype site operations

47. How long will the prototype sites operate?

Contracts with the approved facilities will cover the period between fall 2018 and March 31, 2020.

48. How often will the ministry request feedback from child care centres that are approved to be prototype facilities?

The ministry will request monthly reports, which will include information on things like vacancies, attendance, finances, the number of families served, and whether any of those are
Indigenous families, immigrants, young parents or families who need extra child development supports. This information will inform our funding model going forward and fulfill reporting obligations for the ELCC Agreement.

49. What kinds of programs, initiatives and facility improvements do you expect will be supported by the Quality Improvement Grant?

Prototype sites will receive a Quality Improvement Grant following the first stage of the evaluation (March 2019) to implement recommended site-specific quality enhancements. The grant can be used to implement programs, initiatives and facility improvements aimed at supporting the delivery of quality child care. The amount of the grant and specific permissible uses will be informed by the recommendations of 2018/19 evaluation process.

50. Do I need to maintain full enrollment of my licensed child care spaces while participating as a prototype site?

Under the terms of the prototype sites contract, facilities will be required to inform the ministry of the number of children enrolled in the facility in each care type. Where possible, a child should be enrolled in all child care spaces in receipt of prototype sites operating funding, including both full-time and part-time spaces. Where a child care space becomes vacant, the provider should work toward enrolling another child in the vacant space as soon as possible. In cases in which a child care space in receipt of prototype sites funding has been vacant for an extended period of time, adjustments to the contract may be required.

While prototype sites may offer drop-in/occasional child care, these spaces will not be eligible to receive operating funding under the prototype sites contract.

51. Can you provide a simple example of the funding model to providers? Will fees be topped up, or are you using financials to determine payment to providers?

The answer is yes to both questions.

As a prototype site, the Province will design a payment based on your current financial situation to replace most current revenues – with the exception of $200 per month per child that you care for, fund-raising, in-kind supports and other non-provincial government operational funding. This base amount will be supplemented with an administrative top up of 5%. The amount of the payment will be customized to each facility, accounting for the variation in costs and organizational models, and geographic location.
Ministry revenue replaced by the new prototype site operating funding includes:

- Parent fees, with the exception of nominal fees (up to a maximum of $10/day or $200/month per full-time space) collected by the provider from parents (Note – some parents will be eligible to apply for and receive additional support through the Affordable Child Care Benefit which will replace the Child Care Subsidy program);
- Operating funding currently provided by the Province (via the Child Care Operating Funding program and the Child Care Fee Reduction Initiative).

As well, operators of prototype sites will have one-time access to funding for a Quality Improvement Grant to implement programs, initiatives and facility improvements under the terms of your contract with the ministry, aimed at supporting the delivery of quality child care. The grant will be available to all participating prototype sites.

52. Can I raise my fees while under a prototype contract?

Parent fees will be capped at $10/day (up to $200/month) for full-time care for the duration of the prototype sites. Providers will be required to include any anticipated cost increases in their application, and the contracts with facilities accepted to be prototype sites will account for these costs in order to ensure the operating funding meets their needs. If a provider has costs that increase unexpectedly during their participation in the program, there will be a mechanism to have their contract value reassessed and adjusted at the Province’s discretion accordingly.

53. How much time will I get to transition into the prototype funding program?

You will be notified in August of your inclusion in the prototype program, with the aim of having your site up and running by the fall. This will allow more than a month to make any needed changes and to notify the parents at your facility about the change in how your centre will be funded.

54. What if I don’t agree with the funding amount proposed?

The ministry’s calculations will be transparent and based off of your financial statements, but the final amount offered will not be subject to negotiations. If you feel the amount has been incorrectly calculated, we will review your application and confirm the accuracy of the funding amount.

Expenses for providers vary by organization and region, and the amount given per month will be based on reported monthly revenue streams. Note that fundraising revenues and in-kind supports will be excluded from the Province’s calculations. Revenue streams included are:
• The facility’s average monthly Child Care Operating Funding (CCOF) funding amount (based on the past 12 months);
• The facility’s average revenue generated through parent fees per month (based on the facility’s reported average over the past 12 months); and
• Any additional revenue reported by the facility (e.g. other sources of government funding, etc.) based on the facility’s reported average over the past 12 months.

55. **What happens if I want to withdraw before the end of the contract?**

There will be a 90-day exit clause in the contract to enable a smooth transition out of the program if that is required.

56. **What happens at the end of the 18-month contract? Will providers continue to charge parents $10 a day, or go back to charging full price and not get any further help from government?**

Information the Province gathers from the prototype sites will inform decision making regarding the future expansion of universal child care. The ministry will communicate with the sites throughout the course of their contract term and in advance of the end of their contract term regarding next steps.

The Province will seek continued support from the Government of Canada for these sites when we renew our Early Learning and Child Care bilateral agreement in 2019-20.