

EARLY LEARNING AND CHILD CARE PROGRAM CIRCULAR

Date: May 27, 2022

CIRCULAR NUMBER: REVISED ELCC-2022 04 (r) *Revised in bold*

To: All licensed child care facilities, Early Learning and Child Care Division, Child Care Subsidy Program

Subject: Subsidy Advance and Parent Fee Coverage

Effective Date: February 6, 2022

- Type:**
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|---|--|--|
| <input type="checkbox"/> Policy | <input checked="" type="checkbox"/> All Facilities | <input type="checkbox"/> Action Required |
| <input type="checkbox"/> Procedure | <input type="checkbox"/> Centres | <input checked="" type="checkbox"/> Information Only |
| <input type="checkbox"/> Licensing | <input type="checkbox"/> Nursery Schools | |
| <input checked="" type="checkbox"/> Financial | <input type="checkbox"/> Family/Group Homes | |
| <input checked="" type="checkbox"/> Subsidy | | |

UPDATE: To support the implementation of the increased thresholds, a three-month parent fee advance was provided to all licensed facilities to cover the non-subsidized portion of parent fees for families applying for a Child Care Subsidy beginning February 6, 2022. This is the same date that threshold increase went “live”. Facilities can establish a period of time for their business for any consecutive three month period between February 6 to July 23, 2022 to cover parent fees for subsidy applicants.

For the three month period parents applying for a subsidy may have their parent fees waived. If the parent fee advance has not been fully expended in the three month period, facilities can continue to use any remaining funds for families applying for a subsidy until July 23, 2022, prioritizing lower and middle income families. Afterwards, parents will be responsible for paying fees that correspond with the level of approved subsidy. Both families and facilities will be informed directly about the level of subsidy as has been past practice.

The ELCC Division will communicate any subsidy adjustments related to advancement of the funds in September after assessing levels of subsidy usage for each facility. Adjustments will be made through regular funding payments made to facilities.

This communication is intended as guidance to assist boards of directors and owner operators in their ongoing business planning. Facilities are responsible for making decisions that support their business model to meet the needs of the community they serve.

This circular is being sent to all licensed early learning and child care (ELCC) facilities advising of a six-month subsidy advance and three-months of coverage for the non-subsidized parent fee portion, for subsidized families.

As per circular ELCC-2022-02 dated February 3, 2022, recent amendments to the Child Care Regulation provided an increase to the net household income thresholds for the Child Care Subsidy Program, increasing the number of eligible children.

To support the implementation of the threshold increase, Manitoba is providing ELCC facilities with up to \$75M for a full six-month subsidy advance, and three-months of funding for the non-subsidized portion of parent fees for subsidized families, as of February 6, 2022. This means that families who have submitted an application for child care subsidy and/or are currently accessing child care subsidies will have their full fees covered during the first three-month period. This will allow facilities to immediately enroll children, reducing the risk of interruptions in child care services for families while their subsidy applications are being assessed.

Benefits:

- Allows child care facilities to immediately enroll children while their subsidy applications are being assessed;
- Provides time for facilities to receive mass-reassessment with new subsidy levels and re-assessed parent fees;
- Eliminates adjustments in parent fees collected during the re-assessment period; and
- Ensures stability of the system by supporting facilities to generate revenue by immediately enrolling children in vacant spaces while subsidy applications are processed.

The subsidy advance and parent fee coverage, will ease the transition between the existing subsidy program and in the re-development of Manitoba's new financial assistance program for income based parent fees, supporting the goal of achieving a \$10 per day out-of-pocket average parent fee under the Canada-Manitoba, Canada-Wide ELCC Agreement.

For more information on the Canada-Wide ELCC Agreement and action plan, visit www.gov.mb.ca/fs/childcare/actionplan.html.

Implementation

The six-month subsidy advance and three-months of non-subsidized parent fee coverage is effective as of the February 6, 2022, reporting period. Funds will be disbursed to facilities over the next several weeks as follows:

For children 0-6, child care facilities will receive one payment that covers:

- six-months of child care subsidies from February 6, 2022 to July, 23 2022
- three-months of funding for the non-subsidized parent fee portion from February 6, 2022 to April 2, 2022

For children aged 7-12, child care facilities will receive two payments that covers:

- two-months of child care subsidies from February 6, 2022 to April 2, 2022
- two-months of non-subsidized parent fees from February 6, 2022 to April 2, 2022

- four-months of child care subsidies from April 3, 2022 to July 23, 2022
- one-month of non-subsidized parent fees from April 3, 2022 to April 30, 2022

Per our normal process, the ELCC Finance and Accountability branch will audit attendance reports and as required, reconcile any overpayments through future subsidy payment adjustments to the child care facility. This is done in order to ease the burden of families eligible for subsidy having to pay out of pockets for these three months.

Current attendance reporting and reporting periods remain unchanged.

Communication to Families

Families indicating that they will be applying for a child care subsidy should be encouraged to visit the Child Care Subsidy Estimator at:

www.manitoba.ca/fs/childcare/families/childcare_subsidies.html

The Estimator is a tool – all families that think they may be eligible for a subsidy should submit an application.

Families will be eligible to have their full parent fee (including the non-subsidized portion) covered through July 23, 2022. Afterwards, parents will be responsible for paying fees that correspond with the level of approved subsidy.

If a family is deemed ineligible for a child care subsidy, they become responsible for paying the parent fees charged by the facility.

For questions about the subsidy advance and parent fee coverage policies and practices for your facility or the Child Care Online registration process, contact your Child Care Coordinator directly or email Child Care Information Services at cdcinfo@gov.mb.ca .

If you have questions regarding Child Care Subsidy Program please email cdcsubsidy@gov.mb.ca or call 204-945-8195, toll-free 1-877-587-6224.

If your facility is not currently a Child Care Online user, please visit https://www.gov.mb.ca/fs/childcare/centres_homeproviders/cco_login.html to register for a user name and password. If you have questions about the registration process, please email cdcfacility@gov.mb.ca or call Child Care Information Services at 204-945-0776 or toll-free: 1-888-213-4754.

Thank you for your ongoing patience as we continue to adapt ELCC systems and services to meet the needs of Manitoba families and children, and the early learning and child care sector. As per the Government of Manitoba announcement regarding the new Department of Education and Early Childhood Learning on January 19, 2022, we will continue to work closely with our stakeholders to support this transition and our continued efforts to enhance the early learning and childcare system in Manitoba.

Early Learning and Child Care