

Early Learning and Child Care - Webinar Subsidy and Parent Fee Advances



May 20, 2022



Subsidy Advance

What is the purpose of the subsidy advance?

- As a result of the subsidy threshold increase, up to 70% of Manitoba families accessing child care will be eligible to a full or partial child care subsidy.
- Pre-payment of the expected subsidy payments that would be made in the coming months, taking into consideration an increase in the number of families receiving a subsidy at your facility.
- Supports facilities to immediately be able to generate revenue on spaces filled newly enrolled children who may qualify for a subsidy, but whose application is not approved yet.
- Allows facilities to immediately enroll children, reducing the risk of interruptions to child care services while they wait for their applications to be approved.



Parent Fee Advance

What is the purpose of the Parent Fee Advance

- Covers the non-subsidized portion of parent fees for a consecutive three month period.
- Combined with the subsidy advance, allows facilities to not charge fees to families that have applied for a subsidy while they wait for a decision.
- The following families may be fully subsidized for the three month period:
 - Families with children who are currently subsidized by your facility; and
 - Families who are applying for subsidy and waiting for their application to be processed and assessed



Parent Fee Advance

- Facilities have the discretion to choose which consecutive three month period between February 6, 2022 and July 23, 2022.
- Following the three month consecutive period, any remaining funds can be used to support families during the subsidy application period until such time as the funds are exhausted.
- Despite the subsidy decision or assessed subsidy level, families can have their fees waived until their three month period is over.

Subsidy and Parent Fee Advance

Did all licensed child care facilities receive this advance?

- Child care facilities who indicated on Child Care Online, that they accept subsidized families, received the subsidy advances.
- Funded, unfunded and private child care facilities are encouraged to accept subsidized families as a greater number of families become eligible.



Subsidy and Parent Fee Advance

Why are some families paying nothing while others are still paying the full cost of care?

- This initiative is to support families currently receiving a child care subsidy and those applying under the increased thresholds.
- Families applying for a subsidy can have their parent fees covered for up to three consecutive months allowing their application to be assessed and their subsidy decision received.
- Families that do not to apply for subsidy will continue to pay their regular parent fees.



Subsidy and Parent Fee Advance

How was the subsidy advance calculated?

- The subsidy advance is a pre-payment to facilities based on statistics Canada information on the incomes of families enrolled in child care in 2019, as a way to predict future eligibility levels based on the threshold increase.
- Number of subsidized children typically enrolled per facility was factor considered in the analysis.
- The focus of the advance is to relieve financial pressures for child care facilities supporting a growing number of Manitoba families anticipated to become eligible under the increased subsidy thresholds.



Subsidy and Parent Fee Advance

If the advance payment is not fully utilized, will it be recovered?

- At the end of the six-month period, the department will assess the subsidy enrollments. If the advance was not fully utilized, adjustments to future subsidy payments will be made to reconcile any differences.
- Attendance reporting requirements remain unchanged. This information is needed to assess utilization and any need for adjustments.
- Likely to occur in September (target) and facilities will be informed of adjustments in advance of them being made.
- No further action is required of the child care facility.
- The subsidy advance does **NOT** impact current or future operating grants.

Subsidy and Parent Fee Advance

How should facilities credit parents collected, if they decide to apply for a subsidy?

- Facilities may choose to credit families for pre-paid parent fees, or credit parents moving forward.
- As independent businesses, facilities have the discretion to do what works best for their business and the families they serve.
- The advances support facilities and families by reducing the financial burden for both.

Subsidy and Parent Fee Advance

Do families with school-age children who only attend child care for two months in the summer, get parent fees covered for three months?

- School-age children accessing full-time child care during summer months was considered when the advances were calculated.
- Families should not receive parent fee coverage for a period exceeds their actual enrollment.

Coming Attractions

Waitlist Expansion Spaces	3109 Spaces Receiving Funding	Child Care Coordinators Reaching Out to Facilities – May 16th
Extended Hours Grant	Increase to all Facilities offering Extended Services	Child Care Coordinators Reaching Out to Facilities – May 23rd
Wage Bridge Benefit	Retro-active Pay to Sector Staff	ELCC Staff Reaching out to Facilities Beginning Today
Savings Investment Benefit	Received Applications into Last Week	Payments will go out in Three to Four Weeks.
Wage Grid	Supported by operating Grant Increase.	Approval Process Target Late Spring – Early Summer

Further Questions?

- Contact your assigned Child Care Coordinator
- Contact cdcinfo@gov.mb.ca

Thank-you