


# Child Care Fee Reduction Initiative – Key Facts for Parents

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February 2018

- Government has committed to making child care more affordable for families in all areas of the province.
- To help achieve this goal, effective April 2018, licensed infant/toddler and/or 3-5 years care child care providers will be invited to participate in the Child Care Fee Reduction Initiative, and pass savings on to parents through reduced monthly fees.
- Parents do not have to enroll or apply in order to receive this benefit; rather, your licensed child care provider must choose to “opt-in” and be approved into this voluntary initiative in order to pass the savings on to you.
- Parents with children enrolled at participating licensed group or home-based facilities may be eligible for monthly reductions in their parent fees by:
  - \$350/month/space for group infant/toddler care;
  - \$200/month/space for family infant/toddler care;
  - \$100/month/space for group 3-5 year care; and
  - \$60/month/space for family 3-5 year care.
- A list of participating providers will be posted at: [www.gov.bc.ca/childcareoperatingfunding](http://www.gov.bc.ca/childcareoperatingfunding) in April 2018 and parents will be able to see if their provider has been approved to participate, and what fee reductions they should expect to receive.
- While all participating providers will be required to reduce their fees, some providers may receive approval for pre-planned, reasonable parent fee increases during the duration of the contract (up to March 31, 2019).
- In addition, providers faced with extraordinary circumstances may be able to increase their parent fees above the planned and approved increases under certain circumstances, with prior written Ministry approval.
- **For more information on the increased CCOF rates and the Child Care Fee Reduction Initiative, please visit:** [www.gov.bc.ca/childcareoperatingfunding](http://www.gov.bc.ca/childcareoperatingfunding).



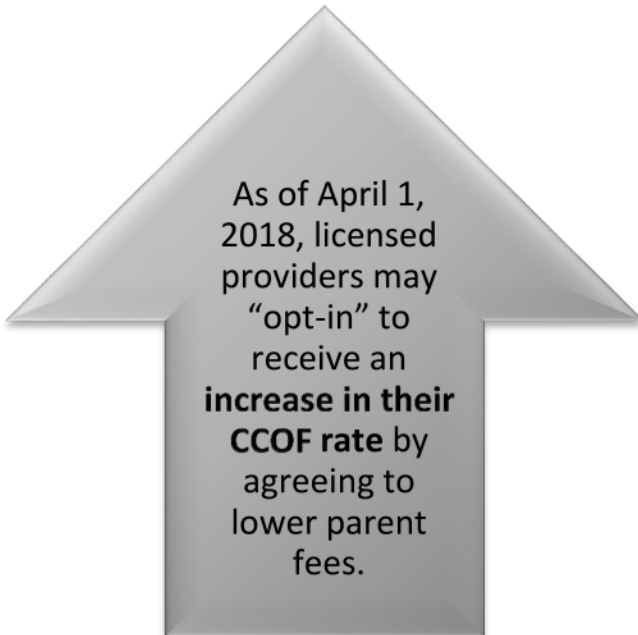
As soon as April, 2018, parents may see a **decrease in their child care fees** depending on their type of service.

# Child Care Fee Reduction Initiative – Key Facts for Providers

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February 2018

- Through *Budget 2018*, government has committed to making child care more affordable for families in all areas of the province. To help achieve this goal, in April 2018, licensed group or family infant/toddler and/or 3-5 years child care providers (including In-Home-Multi-Age Care providers) enrolled in the Child Care Operating Funding (CCOF) program will be invited to participate in the **Child Care Fee Reduction Initiative**.
- Any licensed infant/toddler and/or 3-5 years child care provider who is eligible for CCOF is eligible to apply to participate.
- At the time of application, providers will be asked to confirm their parent fees for each type of care (as of September 1, 2017, January 1, 2018 and April 1, 2018), and confirm any pre-planned parent fee increases for the duration of the contract term.
- The Ministry will assess the provider's historical, current and future (planned) fees in order to ensure the intended benefit for parents is not diluted through fee increases. Providers must disclose and receive prior approval for any pre-planned, reasonable parent fee increases during the duration of the contract. Providers facing extraordinary circumstances beyond those stated in their 2018/19 fee schedule will be required to contact the Ministry and be assessed on a case by case basis.
- Licensed providers who are approved to join this voluntary initiative will receive an increase of approximately 10% on their individual CCOF base rates for 2018/19 to support operational expenses.
- Participating providers will also receive funding to reduce parent fees by a prescribed amount, depending on the type of care provided and the age of children, as follows:
  - \$350/month/space for group infant/toddler care;
  - \$200/month/space for family infant/toddler care;
  - \$100/month/space for group 3-5 year care; and
  - \$60/month/space for family 3-5 year care.
- Licensed child care operators will be encouraged to apply to “opt in” to the initiative when they receive their 2018/19 CCOF contract in March 2018.
- A list of participating providers will be posted online by the Ministry of Children and Family Development. Parents will be encouraged to check online in April 2018 to verify if their provider has chosen to participate, and what fee reductions they should expect to receive.
- **For more information on the increased CCOF rates and the Child Care Fee Reduction Initiative, please visit the [CCOF website](#) or call 1-888-338-6622 (select Option 2).**



As of April 1, 2018, licensed providers may “opt-in” to receive an **increase in their CCOF rate** by agreeing to lower parent fees.

# Child Care Fee Reduction Initiative – FAQs

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February 2018

## For Parents

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

Parents do not need to apply in order to receive this benefit. Beginning in April 2018, parents with children attending licensed group and family Infant/Toddler and/or 3-5 year care (including In-Home-Multi-Age Care) may receive targeted fee reductions through enhanced funding provided to child care providers who choose to “opt-in” and are approved by the Ministry to participate in the Child Care Fee Reduction initiative.

Parents do not have to enroll or apply in order to receive the reduced fees. If your licensed child care provider has chosen to “opt-in” and has been approved to participate in the initiative, your child care fees will be reduced by your provider.

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

Licensed child care providers will be required to inform families with children in their care they are opting in to the Child Care Fee Reduction Initiative. Providers will be invited to apply in March 2018; however, providers may apply for enrolment at any time in 2018/19. If your child care provider has not informed you that they are taking part in the Child Care Fee Reduction Initiative, you can ask them if they plan to participate, or check the government website at: [www.gov.bc.ca/childcareoperatingfunding](http://www.gov.bc.ca/childcareoperatingfunding) for a list of participating child care providers (please note, the list will not be available online until after April 1, 2018).

### **3. My provider has been approved to “opt-in”. When will my fees go down, and by how much?**

Licensed child care providers will be invited to apply in March 2018; however, providers may apply for enrolment at any time in 2018/19. Providers that are approved to “opt-in” in March 2018 will begin receiving enhanced funding effective April 2018 and will be contractually required to reduce their parent fees by prescribed amounts. Providers choosing to “opt-in” at a later date will begin receiving enhanced funding on the first of the following month, at which point they will be contractually required to reduce their parent fees.

Fee reduction amounts are prescribed by Government and vary depending on the type of care, as follows:

- Group infant/toddler (under 36 months) care by \$350/month;
- Family infant/toddler care by \$200/month;
- Group child care for 3-5 year olds by \$100/month; and
- Family child care for 3-5 year olds by \$60/month.

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

The Child Care Fee Reduction Initiative is intended to support families through a reduction in their monthly child care fees. In order to ensure the enhanced funding provided by Government under this initiative is passed on to parents as intended, each provider’s application to “opt-in”

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will be reviewed by the Ministry to ensure eligibility. The Ministry will assess the provider's historical, current and future (planned) fees in order to ensure the intended benefit for parents is not diluted through fee increases. In the event a provider proposes a fee increase (or increased their fees just prior enrolment in the Child Care Fee Reduction Initiative) higher than expected norms (based on each provider's fee history), the provider may be deemed ineligible to participate, as the entirety of the enhanced funding will not be passed on to parents as intended. For further questions, please contact the Ministry at 1-888-338-6622 (select "Option 2").

**5. What should I do if my child care provider is on the Ministry's online list of enrolled facilities, but my fees haven't been reduced, or been reduced enough?**

If your child care provider is enrolled in the Child Care Fee Reduction Initiative and your child care fees haven't gone down by the prescribed amounts (see Question 3), please speak to your child care provider or contact the Ministry at 1-888-338-6622 (select "Option 2").

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

Child care providers are entitled to raise their fees annually by a rate reasonable for costs associated with running a business. As a condition of enrollment in the Child Care Fee Reduction Initiative, child care providers are required to receive Ministry approval for any fee increases expected to occur before April 1, 2019.

There may be extraordinary circumstances under which it is reasonable and necessary for the provider to increase parent fees. If a provider is enrolled in the Child Care Fee Reduction Initiative but encounters a situation where the prohibition on parent fee increases (beyond those approved in the provider's 2018/19 fee schedule) would cause the provider, parent or other party, undue hardship, the Province may, in its discretion, permit the provider to increase parent fees while remaining enrolled in the Child Care Fee Reduction Initiative.

If you feel your child care provider has increased their fees in a manner contrary to the conditions of the initiative, please contact the Ministry at 1-888-338-6622 (select "Option 2").

**7. My provider is a non-profit organization. Shouldn't these providers receive more funding than private (for-profit) organizations?**

The Child Care Fee Reduction Initiative is intended to support families through a reduction in their monthly child care fees, regardless of whether their provider is non-profit or private. The prescribed fee reduction amounts (see Question 3) are scaled based on the cost of care (which is determined both by the age of the child, and whether care is provided in a group or home-based setting). Both non-profit and private organizations are eligible to apply, as both types of organizations support families in communities across the Province.

# Child Care Fee Reduction Initiative – FAQs

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- 8. I receive Child Care Subsidy, and my child care provider has decided to “opt-in”. Do I need to contact the Ministry to report a change in my child care fees?**

Yes, both providers and parents are required to report to the Child Care Subsidy program the actual cost of the space to the parent, less any parent fee reduction, if applicable.

- 9. My child attends a Before and After School Care program at a licensed child care center. Will my fees go down?**

At this time, unlicensed, preschool or school-aged child care programs are ineligible to apply for the Child Care Fee Reduction Initiative. However, Kindergarten children who are 5 years of age and enrolled in licensed before and after school child care program that is approved to “opt-in” to the Child Care Fee Reduction Initiative will be eligible.

# Child Care Fee Reduction Initiative – FAQs

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February 2018

## For Licensed Providers

### 1. How do I apply?

Licensed Group and Family providers (including In-Home-Multi-Age Care providers), already receiving Child Care Operating Funding (CCOF), providing Infant/Toddler and/or ages 3-5 care, will receive their 2018/19 contract in March 2018, and may “opt in” to participate in the Child Care Fee Reduction Initiative at that time. Once approved by the Ministry to participate, providers will be notified in writing.

New licensed child care providers will be able to “opt-in” to participate in the Child Care Fee Reduction Initiative when they apply to the CCOF program.

### 2. What happens if I don’t apply?

At this time, participation in the Child Care Fee Reduction Initiative is optional, and providers can choose to participate at any time. The Ministry encourages providers to “opt-in”, as the initiative provides funding to help licensed providers reduce their parent fees, which will help to keep their program competitive with other programs in their community, while also supporting the families in their programs by providing them with a break in their monthly child care costs. In addition to the enhanced funding to reduce parent fees, participating providers will receive a 10% increase in their current CCOF base funding.

If an eligible licensed provider chooses not to enroll in this voluntary initiative, they will remain eligible for their base CCOF rates; however, they will not be eligible for the increased funding.

### 3. What happens if I choose to apply later, (e.g. not during the 2018/19 CCOF contract renewal)?

Licensed providers who choose to enroll in the Child Care Fee Reduction Initiative after they’ve renewed their 2018/19 CCOF contract may “opt in” and apply for admission at any time during their 2018/19 contract term by contacting the CCOF Program at 1-888-338-6622 (select “Option 2”).

However, the enhanced funding provided through the Child Care Fee Reduction Initiative is not retroactive, and will only commence once a provider has applied and been approved in writing by the Ministry.

### 4. What are the requirements to apply for the Child Care Fee Reduction Initiative?

Any licensed group or family Infant/Toddler or 3-5 year child care program already in receipt of CCOF is eligible to apply. At this time, unlicensed spaces, preschool and/or school-aged care spaces are not eligible for the Child Care Fee Reduction Initiative.

At the time of application, providers will be asked to confirm their parent fees for each type of care (as of September 1, 2017, January 1, 2018 and April 1, 2018), and confirm any pre-planned parent fee increases for the duration of the contract term.

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February 2018

The Ministry will assess the provider's historical, current and future (planned) fees in order to ensure the intended benefit for parents is not diluted through fee increases. In the event a provider proposes a fee increase (or increased their fees just prior to enrolment in the Child Care Fee Reduction Initiative) higher than the expected norms (based on each provider's fee history), the provider may be deemed ineligible to participate, as the funding will not be passed on to parents as intended.

## **5. How much more funding should I expect to receive if I am approved to participate in the Child Care Fee Reduction Initiative?**

In 2018/19, licensed facilities that are approved to participate will receive an increase of approximately 10 percent to their CCOF payments. In addition, Government will provide the prescribed parent fee reductions directly to facilities, to be passed on to parents through decreased parent fees.

## **6. What do I have to agree to if I choose to enroll and am approved?**

Upon enrolment in the Child Care Fee Reduction Initiative, in addition to requirements for their regular CCOF contract, a licensed child care facility must:

- Have children in the "Under 36 months" and/or in the "3 years to Kindergarten" CCOF category being continuously enrolled at the Contractor's Facility;
- Decrease parent fees for each child enrolled in the "Under 36 months" and/or the "3 years to Kindergarten" CCOF category by an amount equal to the Parent Fee Reduction Payment that the provider receives for each child in that category; and
- Not increase the parent fees for children enrolled in the "Under 36 months" and/or "the 3 years to Kindergarten" CCOF category beyond what is approved by the Ministry in their 2018/19 fee schedule, subject to any approved extraordinary circumstances (see Question 11 for more information on extraordinary circumstances).

## **7. How much do I have to reduce my fees by in order to qualify?**

Licensed providers enrolled must reduce their fees by the amounts prescribed as follows:

- Group infant/toddler (under 36 months) care by \$350/month;
- Family infant/toddler care by \$200/month;
- Group child care for 3-5 year olds by \$100/month; and
- Family child care for 3-5 year olds by \$60/month.

The above amounts may be adjusted/reduced over the course of a provider's 2018/19 contract term, under the following two circumstances: 1) due to planned, reasonable fee increases as outlined and approved in their 2018/19 fee schedule, or 2) in the event a provider experiences extraordinary circumstances and receives prior written approval from the Ministry to increase their fees beyond those stated in their 2018/19 fee schedule.

# Child Care Fee Reduction Initiative – FAQs

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**8. What about part-time spaces? How will fees change for these spaces?**

Part-time spaces will receive a pro-rated amount based on the full and part-time spaces as reported on the Enrolment Report. Participating providers must agree to reduce the monthly fees for children enrolled on a part-time basis by the pro-rated amount.

**9. What about families receiving Child Care Subsidy? Which fee should I report to the Ministry, and when?**

Providers are required to report to the CCOF program the total monthly cost charged to the parent for each type of child care space before the parent fee reduction is applied. Providers and parents are required to report to the Child Care Subsidy program the cost of the space to the parent, less any reduction applied through the Child Care Fee Reduction Initiative, if applicable.

**10. What happens if I am approved to enrol in the Child Care Fee Reduction Initiative, and fail to reduce monthly fees as per my CCOF 2018/19 contract (e.g. what are the penalties)?**

If a provider is enrolled in the Child Care Fee Reduction Initiative and after enrollment fails to reduce parent fees by the prescribed amount(s), the provider will no longer be eligible for the Child Care Fee Reduction Initiative. Any enhanced funding (including the parent fee portion and the 10% operating fund lift) received by the provider through the Child Care Fee Reduction Initiative will be considered an overpayment. The provider will be liable, under the terms of their contract, to pay the Province an amount equal to two times the amount of such overpayment. Additionally, if a provider supplies the Province with information that is false or misleading in order to obtain enhanced funding under the Child Care Fee Reduction Initiative, the provider will be subject to penalties under the *Child Care BC Act*.

**11. What happens if I enrol and am accepted into the Child Care Fee Reduction Initiative, and subsequently have to increase my monthly fees beyond what I stated in my 2018/19 fee schedule at the time of application? How do I notify the Ministry, and what happens then?**

There may be extraordinary circumstances under which it is reasonable and necessary for the provider to increase parent fees beyond those stated in their 2018/19 fee schedule. If a provider is enrolled in the Child Care Fee Reduction Initiative and encounters a situation where the prohibition on parent fee increases (beyond those stated in their 2018/19 fee schedule) would cause the provider or other relevant party, undue hardship, the Province may, in its discretion, permit the provider to increase parent fees while remaining enrolled in the Child Care Fee Reduction Initiative.

For further clarification, providers are not permitted to increase fees and still receive the opt-in payments without prior written approval by the Province. The Province will consider a provider's request for such increases on a case-by-case basis, taking into consideration the unique circumstances of the provider and the amount of the proposed parent fee increase.



# Child Care Fee Reduction Initiative – FAQs

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**12. What should I tell the families with children enrolled in my program?**

Once a provider is approved to enroll in the Child Care Fee Reduction Initiative, they will be expected to communicate with the families with children in their care regarding their participation, including how much fees are being reduced by, and the effective date of the fee reduction. The Ministry will also be posting a list of participating providers online, so families can check to see if their provider is enrolled in the Child Care Fee Reduction Initiative.

**13. Do I have to transfer the full funding over to the families with children in my care through reduced fees, or can I keep a portion to improve my program?**

Participating providers will receive the following two types of enhanced funding, on top of their base CCOF payments:

- “Parent Portion” – Government will provide the prescribed parent fee reductions (see Question 7 for exact amounts) directly to facilities, to be passed on to parents through decreased fees.
- “Provider Portion” – an increase of approximately 10 percent of a provider’s CCOF payments.

The entirety (e.g. 100%) of the “Parent Portion” allocated to reduce parent fees must be passed on to families through reduced monthly fees. Providers may retain the “Provider Portion” in recognition of inflationary cost pressures and increased administrative costs associated with decreasing fees for parents.

**14. If I choose to not enroll, or I choose to revert back to base CCOF funding mid-year, how will this impact my eligibility for next year?**

This will not impact your eligibility for base CCOF next year; however, this may impact eligibility for the Child Care Fee Reduction Initiative in 2019/20, which will be reviewed during CCOF contract renewal early in 2019.

**15. My facility also runs a before and after school program. Some of the children in that program are 5 years old. Are the families of these children also eligible for reduced fees through the Child Care Fee Reduction Initiative?**

The Child Care Fee Reduction Initiative is intended to reduce fees for children currently reported in the “3 years to Kindergarten” CCOF category (as well as the “under 36 months” CCOF category) as reported in the CCOF Enrollment Report. As such, children who are 5 years of age and enrolled in a before and after school program will be eligible for reduced fees under this initiative.

## Lapthorne, Carmen MCF:EX

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**From:** MCF Child Care Operating Fund, MCF:EX  
**Sent:** Friday, March 2, 2018 3:11 PM  
**Subject:** Child Care Fee Reduction Initiative - Fact Sheet and FAQs  
**Attachments:** Child Care Fee Reduction Initiative Fact Sheet for Parents.pdf; Child Care Fee Reduction Initiative Fact Sheet for Providers.pdf; Child Care Fee Reduction Initiative FAQs for Parents.pdf; Child Care Fee Reduction Initiative FAQs for Providers.pdf

Good afternoon,

As you may already be aware, through *Budget 2018*, government has committed to making child care more affordable for families in all areas of the province. To help achieve this goal, effective April 2018, licensed group and family infant/toddler and/or 3-5 years child care providers (including Group Multi-Age and Family In-Home-Multi-Age Care providers) enrolled in the Child Care Operating Funding (CCOF) program will be invited to participate in the new ***Child Care Fee Reduction Initiative***.

For information regarding this initiative, please review the attached Fact Sheets and FAQs for Providers, which will help familiarize you and your staff with the requirements of this new, exciting initiative. In addition, we've prepared a separate fact sheet and FAQs for families, to help answer some of the questions your families may have regarding this new initiative.

More information will be emailed to you in the coming weeks including details about the telephone information sessions in mid-March open to all CCOF licensed child care providers that you may wish to sign up for.

If you haven't already done so, I also encourage you and your staff to review the FAQs on the other Budget 2018 child care initiatives, which are [posted on the Ministry website](#).

We look forward to partnering with you through this initiative, and supporting providers across the province to deliver high-quality programs.

The Child Care Operating Funding Program

**Subject:** FW: Child Care Operating Funding – 2018/19 Funding Agreement enclosed

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**From:** BC Mail Direct CITZ:EX  
**Sent:** Saturday, March 17, 2018 5:14 PM  
**To:** Reynolds, Elliott SDPR:EX  
**Subject:** Child Care Operating Funding – 2018/19 Funding Agreement enclosed

Dear Organization:

**RE: 2018/19 Funding Agreement and Program Confirmation Form Enclosed**

The 2018/19 Funding Agreement sign-up process is now online.

For information on the changes to the 2018/19 Child Care Operating Funding (CCOF) Program, including the Child Care Fee Reduction Initiative, please visit: [www.gov.bc.ca/childcareoperatingfunding](http://www.gov.bc.ca/childcareoperatingfunding).

Here are the instructions for you, as your organization's Authorized Signatory, to submit your 2018/19 Program Confirmation Form and enrol in the voluntary Child Care Fee Reduction Initiative:

1. Download your CCOF Funding Agreement by clicking on this link: **Download PDF**
  - Please review to ensure your facility name, licence and service details are correct in Schedule A.
2. Open the Program Confirmation Form by clicking on this link: **Program Confirmation Form**

Note: Form will not work in Google Chrome, select an alternate browser

- Complete Section 1 to agree to the terms of the Funding Agreement and for regular CCOF payments as per Schedule B.
  - Complete Section 2 to opt-in to the fee reduction (for facilities listed in Schedule A that provide services to enrolled children in the under 36 months category, in the 3 years to kindergarten category, or both).
3. Submit your Program Confirmation Form (due within 30 days)
    - At the bottom of the form, you will be prompted to submit. Clicking the submit link will default to open an email in your email browser which will attach your completed form and auto-address to [mcf.ccof@gov.bc.ca](mailto:mcf.ccof@gov.bc.ca).

You will receive an email confirmation once your Funding Agreement is in pay and to advise you if your organization has been approved to participate in the Child Care Fee Reduction Initiative.

**Reminders:**

- Please complete your **2018/19 Annual Provider Profile Survey** at [www.gov.bc.ca/childcareprovidersurvey](http://www.gov.bc.ca/childcareprovidersurvey) within 90 days.
- You will need to **register for a Business BCeID** at [www.bceid.ca](http://www.bceid.ca) if you do not already have one.

If you do not want to continue to receive CCOF Funding please click here: **Reject funding agreement** . This will notify CCOF that funding is no longer required.

Please contact us if you have questions.

Thank you,

Child Care Operating Funding Program  
1 888 338-6622 (option 2)

**From:** [MCF Child Care Operating Fund, MCF:EX](#)  
**Subject:** Updated Child Care Operating Funding Program FAQs  
**Date:** Tuesday, March 20, 2018 8:08:45 PM

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Dear Child Care Provider,

Please see the latest [Frequently Asked Questions](#) on our website:

[www.gov.bc.ca/childcareoperatingfunding](http://www.gov.bc.ca/childcareoperatingfunding), and stay tuned for the Parent Fee Reduction Calculator.

We have heard from some providers that they have experienced difficulties opening the Program Confirmation form. If you are experiencing difficulties, please note that we are working to address these issues and will update you via email when resolved.

Program staff continue to be available to assist with extended call centre hours until March 22:

- Wednesday 8:30 am -7:00 pm
- Thursday 8:30 am - 8:30 pm

Please contact us if you have questions.

Thank you,

The Child Care Operating Funding Program  
1-888-338-6622 (Option 2)