From: MCF CCFRI Reconsiderations MCF:EX

To: <u>"BRENTWOOD@CEFA.CA"</u>

Subject: CCFRI Reconsideration Committee – Final Decision

Dear RISING STAR LEARNING (BRENTWOOD) LTD,

Re: CEFA EARLY LEARNING BRENTWOOD G-11507-11509

Thank you for your patience while the Child Care Fee Reduction Initiative (CCFRI) Reconsideration Committee (the Committee) reviewed your facility's request for reconsideration. We regret to inform you that based on the information you have provided us, the Committee has decided to uphold the original decision to not approve your facility to participate in the CCFRI for the 2018/19 contract year.

The intent of the Ministry's assessment process is to ensure the intended benefit for families is passed through to parents by providers. As per the CCFRI Adjudication Policy (outlined in the CCFRI FAQs for Providers), a facility may not be approved to enroll in the CCFRI if the facility indicates a recent (e.g. in the 7 months prior to application) and/or planned (e.g. over the course of the contract term) fee increase(s), and:

- i. The increase does not align with the facility's fee pattern;
- ii. The increase exceeds the regional median range of fees in the facility's Service Delivery Area (see CCFRI Adjudication Policy for determination of Service Delivery Area Median range); and
- iii. The facility has not provided sufficient documentation explaining the fee increase(s) is necessary due to a bona fide, material, and <u>unexpected</u> expense, and the increase is proportional to the expense.

Following a review of your file by the Child Care Operating Funding (CCOF) Program that upheld the original decision to not approve your application, you requested a reconsideration of the decision by the Committee. The Committee is comprised of Ministry staff not involved in the original decision regarding your CCFRI application. The Committee considered the previous application materials and any new documentation you provided with respect to the CCFRI Adjudication Policy to reach its decision. The Committee reviewed these materials to ensure the completeness and accuracy of the original adjudication process.

In the case of your facility's request for reconsideration, the Committee based its decision on the following factors:

- Based on the fee increase amounts provided in your fee schedule, your facility would profit approximately \$11,494, after paying for expenses related to increasing wages.
 This amounts to an annual profit of \$137,928. As such, the proposed parent fee increases are not proportional to the cited expense.
- Your application for reconsideration cited additional expenses associated with meal plan
 upgrading, new playground drainage, servicing of the HVAC system, operating
 expenses and property tax increases. Based on the documentation provided these
 expenses were not deemed by the Committee to be unexpected, and so do not fall
 under the exceptional circumstances clause of the CCRFI Adjudication Policy.

The decision of the Committee in regards to your facility's application for the 2018/19

contract term is final for the duration of 2018/19 (e.g. until March 31, 2019). However, please be advised that facilities which are deemed ineligible in2018/19 will be provided an opportunity to apply for consideration to enroll in the CCFRI when renewing their CCOF contract in 2019/20. Further details regarding this process will be made available early in 2019. Please note that while your facility will not receive additional funding to reduce parent fees during 2018/19, you remain eligible to receive your facility's base CCOF payments as per the terms of your existing funding agreement with the Ministry.

Thank you again for applying to the CCFRI, and for your continued dedication and support for child care in B.C.

Sincerely,

The Child Care Fee Reduction Initiative Reconsideration Committee

From: MCF CCFRI Reconsiderations MCF:EX
To: "CHRISTINEYANG@CEFA.CA"

Subject: CCFRI Reconsideration Committee – Final Decision

Dear RISING STAR LEARNING LTD.,

Re: CORE EDUCATION & FINE ARTS G-67975-67977

Thank you for your patience while the Child Care Fee Reduction Initiative (CCFRI) Reconsideration Committee (the Committee) reviewed your facility's request for reconsideration. We regret to inform you that, based on the information you have provided us, the Committee has decided to uphold the original decision to not approve your facility to participate in the CCFRI for 2018/19.

The intent of the Ministry's assessment process is to ensure the intended benefit for families is passed through to parents by providers. As per the CCFRI Adjudication Policy (outlined in the CCFRI FAQs for Providers), a facility may not be approved to enroll in the CCFRI if the facility indicates a recent (e.g. in the 7 months prior to application) and/or planned (e.g. over the course of the contract term) fee increase(s), and:

- i. The increase(s) does not align with the facility's fee pattern;
- ii. The increase(s) exceeds the regional median range of fees in the facility's Service
 Delivery Area (see CCFRI Adjudication Policy for determination of Service Delivery Area
 Median range); and
- iii. The facility has not provided sufficient documentation explaining the fee increase(s) is necessary due to a bona fide, material, and unexpected expense, and the increase is proportional to the expense.

Following a review of your file by the Child Care Operating Funding (CCOF) Program that upheld the original decision to not approve your application, you requested a reconsideration of the decision by the Committee. The Committee is comprised of Ministry staff not involved in the original decision regarding your CCFRI application. The Committee considered the previous application materials and any new documentation you provided with respect to the CCFRI Adjudication Policy to reach its decision, and reviewed these materials to ensure the completeness and accuracy of the original adjudication process.

In the case of your facility's request for reconsideration, the Committee based its decision on the following factors:

- Based on the fee increase amounts provided in your fee schedule, your facility would profit approximately \$6,014 per month, after paying for expenses related to increasing wages. This amounts to an annual profit of \$72,000. As such, the proposed parent fee increases are not proportional to the cited expense.
- Your application for reconsideration cited additional expenses associated with
 playground reconstruction and an additional outdoor play area, upgrading the meal
 planning, kitchen upgrades, and facility renovation. Based on the documentation
 provided these expenses were not deemed by the Committee to be unexpected, and
 so do not fall under the exceptional circumstances clause of the CCFRI Adjudication
 Policy.

The decision of the Committee in regards to your facility's application for the 2018/19 contract term is final for the duration of the 2018/19 program year (e.g. until March 31, 2019). However, please be advised that facilities which are deemed ineligible for the 2018/19 program year will be provided an opportunity to apply for consideration to enroll in the CCFRI when renewing their CCOF contract for the 2019/20 program year. Further details regarding this process will be made available early in 2019. Please note that while your facility will not receive additional funding to reduce parent fees during 2018/19, you remain eligible to receive your facility's base CCOF payments as per the terms of your existing funding agreement with the Ministry.

Thank you again for applying to the CCFRI, and for your continued dedication and support for child care in B.C.

Sincerely,

The Child Care Fee Reduction Initiative Reconsideration Committee

From: MCF CCFRI Reconsiderations MCF:EX

To: <u>"cambie@cefa.ca"</u>

Subject: CCRFI Reconsideration Committee – Final Decision

Dear RISING STAR LEARNING (CAMBIE) LTD,

Re: CEFA JUNIOR KINDERGARTEN - CAMBIE G-97645-97647 and CEFA JUNIOR KINDERGARTEN - CAMBIE G-97645-97649

Thank you for your patience while the Child Care Fee Reduction Initiative (CCFRI) Reconsideration Committee (the Committee) reviewed your facility's request for reconsideration. We regret to inform you that based on the information you have provided us, the Committee has decided to uphold the original decision to not approve your facility to participate in the CCFRI for 2018/19.

The intent of the Ministry's assessment process is to ensure the intended benefit for families is passed through to parents by providers. As per the CCFRI Adjudication Policy (outlined in the CCFRI FAQs for Providers), a facility may not be approved to enroll in the CCFRI if the facility indicates a recent (e.g. in the 7 months prior to application) and/or planned (e.g. over the course of the contract term) fee increase(s), and:

- i. The increase(s) does not align with the facility's fee pattern;
- ii. The increase(s) exceeds the regional median range of fees in the facility's Service
 Delivery Area (see CCFRI Adjudication Policy for determination of Service Delivery Area
 Median range); and
- iii. The facility has not provided sufficient documentation explaining the fee increase(s) is necessary due to a bona fide, material, and <u>unexpected</u> expense, and the increase is proportional to the expense.

Following a review of your file by the Child Care Operating Funding (CCOF) Program that upheld the original decision to not approve your application, you requested a reconsideration of the decision by the Committee. The Committee is comprised of Ministry staff not involved in the original decision regarding your CCFRI application. The Committee considered the previous application materials and any new documentation you provided with respect to the CCFRI Adjudication Policy to reach its decision, and reviewed these materials to ensure the completeness and accuracy of the original adjudication process.

In the case of your facility's request for reconsideration, the Committee based its decision on the following factors:

- Based on the fee increase amounts provided in your fee schedule for CEFA JUNIOR
 KINDERGARTEN CAMBIE G-97645-97647, your facility would profit approximately
 \$6,940 per month, after paying for expenses related to increasing wages. This amounts
 to an annual profit of more than \$83,000. As such, the proposed parent fee increases
 are not proportional to the cited expense.
- Based on the fee increase amounts provided in your fee schedule for CEFA JUNIOR
 KINDERGARTEN CAMBIE G-97645-97649, your facility would profit approximately
 \$3,040 per month, after paying for expenses related to increasing wages. This amounts
 to an annual profit of more than \$36,000. As such, the proposed parent fee increases

are not proportional to the cited expense.

• Your application for reconsideration cited additional expenses associated with playground reconstruction (receipt from October 5, 2017), upgrading the meal planning, kitchen upgrades (no quotes were provided, or specific reasons given as to the purpose of the upgrade or if it were a requirement from Community Care Facility Licensing), operating cost increases, and property taxes. These expenses were not deemed by the Committee to be unexpected, and so do not fall under the exceptional circumstances clause of the CCFRI Adjudication Policy.

The decision of the Committee in regards to your facility's application for the 2018/19 contract term is final for the duration of the 2018/19 program year (e.g. until March 31, 2019). However, please be advised that facilities which are deemed ineligible for the 2018/19 program year will be provided an opportunity to apply for consideration to enroll in the CCFRI when renewing their CCOF contract for the 2019/20 program year. Further details regarding this process will be made available early in 2019. Please note that while your facility will not receive additional funding to reduce parent fees during 2018/19, you remain eligible to receive your facility's base CCOF payments as per the terms of your existing funding agreement with the Ministry.

Thank you again for applying to the CCFRI, and for your continued dedication and support for child care in B.C.

Sincerely,

The Child Care Fee Reduction Initiative Reconsideration Committee