Alberta child care affordability grant funding guide



Albertan

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# **Overview**

# **About This Guide**

This document is a reference and policy guide for the official grant agreement between licensed child care programs in Alberta and the Alberta government. It outlines the eligibility, rates, and process for accessing the Affordability Grant for licensed daycares, out-of-school care programs, preschools, family day home agencies, and group family care in Alberta.

The Government of Alberta allocates funding to eligible programs that have signed an Affordability Grant Agreement. The responsibilities and benefits outlined in this funding guide apply to licensed child care programs and/or spaces that are eligible for Affordability Grant funding.

# Canada-Alberta Canada-wide Early Learning and Child Care Agreement

In November 2021, the Governments of Alberta and Canada signed an agreement that provides \$3.8 billion over five years to reduce parent fees to an average of \$10 per day by 2025-26 and create new spaces to help more family's access child care. The Agreement also supports a trained and qualified early childhood educator workforce.

The Canada-Alberta Canada-wide Early Learning and Child Care Agreement supports families with children from birth to kindergarten-age by:

- Reducing parent fees by an average of 50 per cent for all families in early 2022;
- Lowering parent fees to an average of \$15 per day in 2024/25 and
- Further lowering parent fees to an average of \$10 per day in 2025/26.

Parent fees are reduced in two ways:

- Affordability Grants provide funding to licensed child care providers to reduce the fees paid by parents; and
- Targeted support to eligible families through the Child Care Subsidy Program rates and thresholds.

This document will be updated as required, with the most recent version listed on the open government portal at: <u>https://open.alberta.ca/publications/alberta-child-care-affordability-grant-funding-guide</u>.

# Affordability Grant Agreement

As of January 2024, the Government of Alberta has increased the Affordability Grant rates for full-time daycare and family day home spaces to reduce parent fees for eligible children to an average of \$15 per day.

The Affordability Grant is an operating grant for eligible programs that provides monthly funding that must be used to help cover the day-to-day costs of running a licensed child care program and reduce parent fees proportionately by the amount of funding received. The funding amount is based on the age of the child and the number of hours the child is registered to attend.

Licensed programs participating in the Affordability Grant must directly reduce child care fees in proportion to the grant amount they receive as per their signed Affordability Grant Agreement and Schedule A, which forms part of the Agreement.

Amending agreements to the Affordability Grant may occur with written notification from Jobs, Economy and Trade to participating programs.

The overall child care funding approach allows for operators to opt-in to the Affordability Grant and access the range of other available funding supports. If eligible child care programs choose not to sign the 2024/25 Affordability Grant, they will also be opting out of access to other child care funding grants including wage top up, professional development and subsidy.

## **Cost Increase Replacement Funding (CIRF)**

#### **CIRF** Overview

In lieu of fee increases, child care programs receive CIRF as part of the Affordability Grant Agreement. The intent of this funding is to support programs with the increased costs of delivering child care services while at the same time keeping parent fees stable.

Child care programs are not permitted to increase their child care fees reported to the Ministry in their Schedule A as part of the Affordability Grant Agreement. Programs will not be able to opt-out of CIRF nor increase their child care fees for the term of the agreement.

#### **CIRF for Family Day Home Agencies**

To help child care providers, like Family Day Home Educators, deal with higher expenses while also lowering fees for parents, the Affordability Grant includes CIRF for Family Day Home Agencies. CIRF is intended to help offset the higher costs associated with providing child care services, and as such, Family Day Home Agencies can decide whether or not to pass CIRF on to Educators.

#### **CIRF** Calculation

The amount of CIRF depends on whether a program has previously received this funding under the 2023 Affordability Grant agreement.

- Newly licensed programs as of January 1, 2024 onwards and previously licensed programs that did not receive CIRF under the 2023 Affordability Grant Agreement, will receive funding equal to 3% of child care fees for occupied spaces eligible for an affordability grant payment.
- Programs that received CIRF under the 2023 Affordability Grant Agreement, will receive funding equal to 6% of child care fees for occupied spaces eligible for an affordability grant payment.

#### **Roles and Responsibilities**

The Ministry and licensed child care operators share responsibility for the Affordability Grant. Specific roles and responsibilities for the Affordability Grant are as follows:

- Licensed Child Care Programs are responsible for signing and submitting their Affordability Grant Agreement and must agree to follow the terms of the agreement, which include directly applying grant rates to the reduction of child care fees for parents and keeping records to support the monthly claims and demonstrate how grant funds were used.
- Child Care Administration Branch is responsible for setting and maintaining requirements for the Affordability Grant and allocating funding to eligible programs that have signed an agreement. The Claims Unit is responsible for processing monthly payment claims and funding adjustments for the Affordability Grant, as well as child care subsidy and other grant payments. The Affordability Grant team is responsible to verify a program's eligibility to sign the Affordability Grant Agreement.
- Child Care Delivery Branch is responsible for licensing, inspecting and monitoring facility-based child care programs and family day home agencies.

# Eligibility

# Programs

#### **Eligible Programs and Spaces**

The Affordability Grant is available to eligible licensed child care programs and enrolled spaces, including facility-based programs and family day home agencies that provide care to infants, toddlers and preschool-aged children. This includes children who attend kindergarten part-time (fewer than five full days per week) and require child care during regular school hours.

Spaces claimed for children whose parents receive child care benefits through income support programs administered by the Ministry Seniors, Community and Social Services (eg. AISH and Income Support) are eligible. Provincially licensed child care programs located on federal military bases or on a First Nation are also eligible.

Licence holders planning to open new programs or spaces, or to vary their existing licence should contact their local Child Care Licensing office to determine whether their program will be eligible to receive the Affordability Grant.

#### **Ineligible Programs and Enrolled Spaces**

Programs and/or enrolled spaces not eligible for the Affordability Grant are those that meet one or more of the following conditions:

- Programs that do not have a signed Affordability Grant Agreement.
- Programs in breach of the Affordability Grant Agreement where action has not been remedied within the timeline identified by the Ministry.
- Programs/Spaces that do not charge parent fees.
- Programs/Spaces for children attending kindergarten full-time (five full days per week) to grade six.
- Spaces for children requiring part time child care for less than 50 hours per month (this does not apply to preschool programs).
- Spaces where parent fees are paid and fully covered by a third party are not eligible for Affordability Grant funding and cannot be claimed (excluding income programs such as AISH or Income Support).
- Spaces where parent pays to hold a spot.
- Unenrolled and/or vacant licensed spaces.

#### **Enrolled Children**

#### **General Eligibility**

Rates are paid to programs based on the age of the child and a minimum parent fee of \$217.50 per month for children registered to attend 100+ hours per month and \$100 per month for children registered to attend 50-99 hours per month, before subsidy is applied. The grant rates will be proportionately reduced impacting a minority of programs to maintain these minimum parent fees.

Children registered for fewer than 50 hours per month are not eligible for the Affordability Grant (this does not apply to preschool programs).

#### **Overnight Care**

Programs licensed to provide overnight child care will receive a grant rate for each child enrolled in the overnight accommodation. Overnight care is considered the provision of child care spanning the hours between 12:01 a.m. and 5:00 a.m.

If a child is enrolled in overnight care and attends child care spanning the hours between 12:01 a.m. and 5:00 a.m. at least once in that month, all of the hours they attend—during the day, evening or overnight—contribute to their total registered hours for the overnight Affordability Grant.

# Kindergarten Aged Children Requiring Additional Care During School Closures

Kindergarten aged children who are eligible to receive the Affordability Grant during the school year continue to be eligible for the grant until they enter grade one. Programs may charge an increased fee to accommodate kindergarten aged children attending additional hours of care during school closures such as summer break. To claim the grant in these situations, programs complete the claim with the applicable fee listed in Schedule A and charge the parents for the additional hours of care.

#### **Registration in Multiple Programs**

Children registered in more than one program (not operated under the same program ID) are eligible to be claimed for the Affordability Grant at each child care location. For example, a child registered in a family day home and registered in a preschool operated by a different program is eligible to be claimed for Affordability Grant funding for the registered hours in each program.

Children registered in more than one type of care and operated under the same license (e.g., daycare *and* preschool), can only be claimed under once – under either program. This means that if a parent registers their child in a preschool operated within a daycare that their child is also attending, the child can only be claimed once for Affordability Grant funding.

# Rates (Effective January 1, 2024)

The Affordability Grant is intended to reduce parent fees across the province to an average of \$15/day in 2024/25. The rates were determined using average program fees across the province, per space, per month, based on the type of child care and the age group. Grant rates are based on the age of the child as of the first day of each calendar month and the number of hours the child is registered to attend.

### Rates for Licensed daycare, family day homes, and out-of-school care

Program Type	Registered Hours	Infants (less than 12 months)	Infants (12 months to less than 19 months)	19 months to less than 3 years	3 years to less than 4 years	4 years to not yet attending kindergarten	Kindergarten- age requiring child care during school hours
Daycare	50-99 hours	Up to \$317.50	Up to \$317.50	Up to \$255.00	Up to \$225.00	Up to \$225.00	Up to \$225.00
	100+ hours	Up to \$883.00	Up to \$883.00	Up to \$709.00	Up to \$626.00	Up to \$626.00	Up to \$626.00
Family Day Home Agency &	50-99 hours	Up to \$175.00	Up to \$175.00	Up to \$162.50	Up to \$150.00	Up to \$150.00	Up to \$150.00
Group Family Care	100+ hours	Up to \$487.00	Up to \$487.00	Up to \$452.00	Up to \$417.00	Up to \$417.00	Up to \$417.00
Out-of- school Care	50-99 hours						Up to \$225.00
	100+ hours						Up to \$626.00

# Table 1: Maximum affordability grant rates for Licensed daycare, family day homes, and out-of-school care

Program Type	Registered Hours	Infants (less than 12 months)	Infants (12 months to less than 19 months)	19 months to less than 3 years	3 years to less than 4 years	4 years to not yet attending kindergarten	Kindergarten- age requiring child care during school hours	
Daycare	50-99 hours	Up to \$476.25	Up to \$476.25	Up to \$382.50	Up to \$337.50	Up to \$337.50	Up to \$337.50	
	100+ hours	Up to \$1324.00	Up to \$1324.00	Up to \$1063.00	Up to \$938.00	Up to \$938.00	Up to \$938.00	
Family Day Home Agency	50-99 hours	Up to \$262.50	Up to \$262.50	Up to \$243.75	Up to \$225.00	Up to \$225.00	Up to \$225.00	
& Group Family Care	100+ hours	Up to \$730.00	Up to \$730.00	Up to \$678.00	Up to \$626.00	Up to \$626.00	Up to \$626.00	

# TABLE 2: MAXIMUM AFFORDABILITY GRANT RATES FOR LICENSED DAYCARE AND FAMILY DAY HOMES OVERNIGHT CARE

# Preschool

The number of registered hours does not apply to the preschool Affordability Grant, as preschools are licensed as part-time programs offering no more than 4 hours per day and typically run 2 to 3 days per week. Preschools will receive the Affordability Grant at a flat rate, regardless of registered hours.

# TABLE 3: AFFORDABILITY GRANT RATES FOR LICENSED PRESCHOOLS

Program Type	Registered to Attend	19 months to less than 3 years	3 years to not yet attending kindergarten	Kindergarten-age
Preschool	1 to 5 days per week	\$75	\$75	\$75

# Adjusted Rates and Minimum Parent Fee (excludes preschool programs)

Effective January 1, 2024, Affordability Grant funding rates for daycare and family day home spaces are maximum amounts and will be reduced where necessary to maintain a minimum parent fee.

A minimum parent fee is the lowest fee an operator can charge parents accessing their program before subsidy is applied. A minimum parent fee of \$217.50 per month for full-time child care (100+hours) before subsidy and \$100 per month for part-time child care (50-99 hours) before subsidy is applied.

To maintain these minimum parent fees, some programs will receive reduced Affordability Grant funding rates depending on their child care fee. If a parent is currently paying less than the minimum parent fee, child care programs may increase of their parent fee to align with the minimum parent fee across the province.

# **Operator Commitments Under the Affordability Grant Agreement**

The program must comply with all the terms set out in the Affordability Grant Agreement that was signed between the grant recipient and the Minister.

# **Reduce Parent Fees**

The Affordability Grant must be used to reduce parent fees proportionate to the funding provided in accordance with the Affordability Grant agreement effective the month the agreement is signed, prior to applying any approved subsidy rates. The reduction in parent fees is provided for each month a child is registered in an eligible space and should not be applied retroactively unless to correct an error.

# **Charging Additional Fees**

In accordance with Clause 3, programs shall not charge additional fees for any care, services or programming included within its child care fees under a prior Affordability Grant. In addition, programs cannot introduce or increase any administrative, operational, equipment or other overhead fees of a similar nature for the term of the Agreement.

Charging additional fees is not permitted in these circumstances:

- Programs cannot charge parents for services or programming that were previously provided with their reported child care fee.
- Programs cannot begin charging administrative fees. Administrative fees are considered fees that go towards
  administrative, operational, equipment or other overhead costs that do not have direct benefit or provide a
  direct service to children in care.

Charging additional fees is permitted in these circumstances:

- Programs are permitted to charge additional fees for new direct services to children or programming that are not included in their reported child care fees.
- Programs that were charging additional fees prior to the 2024-25 Affordability Grant may continue to charge these specific fees.

Additional fees that were established prior to the 2024-25 Affordability Grant are outside of the terms of the new agreement and as a result operators can increase the amount of those fees. Programs may be contacted by Ministry staff to discuss increases in circumstances where parents reach out to government with inquiries.

# **Reimbursement of Parent Fees**

In accordance with Clause 8, programs are required to reimburse parents in situations where the ministry has determined their child care fees exceed the maximum permitted amount. To remedy the situation, programs will be required to reduce fees to meet the maximum permitted amount and reimburse parents the total amount of fees paid in excess of the maximum permitted fee.

# **Use of Funds**

The funding from the Affordability Grant is to be used to reduce child care fees on behalf of parents. The revenue this generates can be used for any expenses that the child care program normally covers with the revenue from the parent fees, such as ongoing operational costs including wages, toys and equipment, utilities, food, rent/mortgage payments and other related expenditures. The grant may not be used for investment purposes, capital expenditures, or to pay dividends to shareholders.

#### **Claims Records**

In accordance with Clause 9, programs are required to keep and maintain adequate Claims Records for every parent and child (both subsidized and non-subsidized) to support and verify information entered the Claim System.

Claims Records for each child must include:

- Name (legal name is preferred and the same name used if child has been approved for subsidy)
- Birthdate
- Parent(s) address, phone number and email address
- Hours registered to attend the program(s)
- Daily program(s) attendance
- Parent fee charged per child per month (prior to and after AG payment)

Keeping adequate Claims Records will help programs submit complete and accurate claims and ensure records are available to support any audit processes that may be conducted. Claims Records are required to be kept by programs for a period of six years.

# **Financial Reporting**

As part of government's accountability to Albertans for the distribution of public funds, there are requirements for financial reporting to ensure that funds are being spent for the intended purpose. Programs that default in submitting Financial Reporting will not be able to sign future Agreements and may be identified as a breach to the Agreement.

For additional information on Financial Reporting refer to the Affordability Grant Financial Reporting Guide at <a href="https://open.alberta.ca/publications/alberta-affordability-grant-financial-reporting-guide">https://open.alberta.ca/publications/alberta-affordability-grant-financial-reporting-guide</a>.

# **Funding Adjustments**

Programs are required to submit a Program Adjustment Request Form if they receive incorrect funding, including affordability grant funding. The adjustments will be processed by Child Care Claims and the payments or retraction of funding will appear on the next claim payment.

# **Reporting Overpayments**

In accordance with Clause 5, the ministry may deduct amounts against the funding payable to the program in the event of any debts owing or funding recoveries. This means that if funding is owed to the ministry for any reason, payments may be reduced, and withheld funds will be applied to the amounts owing.

A default in repayment of a debt to the ministry will result in an inability to sign future Affordability Grant agreements.

# **Changes to the Agreement**

# **Changes to Schedule A**

In consultation with a licensing officer, changes to Schedule A may be approved if a program is offering a different type of child care (e.g., from preschool to daycare), changing their hours of operation, or providing care for a new age category. All requests for changes to Schedule A from programs with a signed agreement should be sent to cs.ccaffordgrant@gov.ab.ca. Not all requests require a change to Schedule A; each request will be reviewed by Ministry staff to confirm what adjustments, if any, are needed.

# **Removal of Services Previously Added**

Programs that would like to remove services, such as meals, must contact their licensing officer to discuss their program plan. Programs that remove services previously provided are encouraged to reduce their fees accordingly.

# Changes to Shareholders and Sale of Child Care Programs

The sale of a child care program can occur between individuals, a corporation and an individual (and vice versa) or between two corporations. In accordance with Clause 3(e), in situations where a program goes through a change in ownership, the program must immediately notify Child Care Licensing and email <u>cs.ccaffordgrant@gov.ab.ca</u>. Programs may be required to provide additional information or supporting documents related to the change in ownership as requested by the ministry.

#### Arm's Length Sale

An arm's length asset or share sale is defined as a sale between the buyer who acts independently of the seller. All new providers, including those acquired through an arm's length asset or share sale, will be required to set new child care fees within a reasonable range, as defined by the Ministry, to sign a new Affordability Grant Agreement.

#### Non-Arm's Length Sale

A non-arm's length asset or share sale is defined as a sale in which the buyer and seller have an established relationship. Existing programs that conduct a non-arm's length asset or share sale <u>for the purpose of obtaining a</u> <u>new Affordability Grant Agreement and increasing fees</u>, will be required to keep fees the same. In these instances, the Minister may exercise its discretion and either:

- · decline to enter into a new Affordability Grant Agreement with the new license holder; or
- assign the previous Affordability Grant Agreement to the new license whereby the fees remain consistent.

# How to Receive Funding

# **First Steps**

Eligible licensed child care programs (not parents) must access the Affordability Grant through the online Child Care Licensing Portal. Contact your licensing officer to electronically sign the Affordability Grant Agreement via the portal.

The Affordability Grant is paid to eligible licensed child care programs that sign the Affordability Grant agreement. Programs that receive the monthly funding are required to reduce monthly parent fees proportionately to the amount of the funding received for the claimed month. In other words, if a child starts in January, then the parent's fee must be reduced for January in proportion to the amount the program will be claiming for the January claim period.

The Affordability Grant will take effect the month it was signed and allow for payment for that claim period/month. Claims will not be retroactive to January 2024 if the agreement is signed after January 31, 2024.

For example, if a child care program signs in April 2024, then they will be eligible to make claims for the April claim period and claims will not be paid for January, February or March.

#### Step 1: Determine Eligibility

Licence holders or prospective licence holders planning to open or expand a child care program must first contact Child Care Licensing to determine whether their program and/or any additional spaces will be eligible for the Affordability Grant. Licensing staff will be able to discuss other necessary steps and considerations for opening or expanding a licensed child care program.

You can find contact information for your local Child Care Licensing office at <u>https://www.alberta.ca/childrens-</u> services-offices.aspx#jumplinks-1 or by calling Child Care Connect.

#### Step 2: Create an Account on the Child Care Licensing Portal

To sign the online Grant Agreement, a licence holder representative who has signing authority must first create an account in the online Child Care Licensing Portal at <u>https://childcareaccount.alberta.ca</u>.

Tips for using the Child Care Licensing Portal:

- Use Google Chrome or Mozilla Firefox browsers.
- Only one person per program should request access.
- If the licence holder owns multiple programs, all programs will be attached to the same user.

After entering the information to create an account, the licence holder representative will receive an email from "donotreply@gov.ab.ca". Open the email and click "Link to verify your email". **This link is only valid for five minutes**.

The licence holder representative will complete the program information in the Child Care Licensing Portal, accept the Licensing Portal User Agreement, and click "Request Access". Ministry staff will review the information to verify the account user. This step may take up to 10 business days.

Programs may request for more than one licence holder representative to have access to the online portal to sign the Affordability Grant Agreement. Licence holder representatives should request to remove access to representatives no longer responsible for a program.

#### Step 3: Complete the Affordability Grant Agreement

Once the information entered in the online account is verified by Jobs, Economy and Trade, the Affordability Grant agreement will be loaded to the main page of the Child Care Licensing Portal. The licence holder representative will receive an email confirmation notifying them the agreement is ready to be signed.

The licence holder must review and understand each section of the agreement and ensure full compliance to all requirements of the Affordability Grant prior to signing. After accepting all terms and conditions and filling in all required information, including the Schedule A, the licence holder representative will digitally sign the Affordability Grant agreement and will be able to print a copy for their records. Previously signed Affordability Grant agreements can be found in the Child Care Licensing Portal and can be viewed or printed by licence holder representatives.

Each licensed child care program must have its own separate agreement that must be signed, which can be completed through one online Child Care Licensing Portal account.

#### **Completing Schedule A**

Programs complete Schedule A by entering their highest child care fee for each age group for 100+ hours of care and 50 to 99 hours of care, as well as overnight care, as applicable. The Schedule A will automatically calculate the Affordability Grant rate from the program's child care fee, ensuring a minimum parent fee of \$217.50 for 100+ hours and \$100 for 50-99 hours, excluding preschool programs.

Hourly fees or daily rates cannot be entered in Schedule A. Programs must convert hourly fees or daily rates to their highest child care fees for each age group for 100+ hours of care and 50 to 99 hours of care. In situations where fees are charged per room and not a specific age category, program must calculate the highest rate charged per age category (regardless of room) and report that fee in Schedule A.

#### **Completing Schedule A - Family Day Home Agencies**

If a family day home educator/provider rate is different from the licensed family day home agency's rate, the agency should report the maximum rate charged per age category based on the educator/provider with the highest fee. Agencies can also enter the fees on Schedule A using the rates the agency would typically enter on the monthly online claim system.

#### Completing Schedule B – Cost Increase Replacement Funding

Cost Increase Replacement Funding is applied automatically to all monthly Affordability Grant claims. Programs will not be able to opt-out of Cost Increase Replacement Funding and/or increase their child care fees for the term of the agreement.

#### Step 4: Submit Monthly Claims

After the Affordability Grant Agreement has been signed in the portal, participating child care programs can submit an online monthly claim through the online Child Care Claims Payment (C3P) system. Programs that do not yet have access to the C3P system must apply online at <u>https://www.alberta.ca/online-child-care-claims-system</u>.

For more information about the claims process, please refer to the Online Child Care Claims User Guide.

Grant rates are based on the age of the child as of the first day of each calendar month and the number of hours the child is registered to attend. The Affordability Grant will only be paid in situations where programs enter a child care fee ion the claim in accordance with fees no higher than Schedule A fees of the Affordability Grant agreement for that age category. Programs are unable to claim for a child in an age group for which no fee was listed in Schedule A. A child can only be claimed once per licensed program ID for each claim period.

# **Reporting Children**

#### **Subsidized Children**

Each month, the program will enter the following information on each subsidized child:

- For Child Care Subsidy: attended hours and child care fee before Affordability Grant and Subsidy.
- For Affordability Grant: whether the child is registered for full-time (100+ hours per month) or part-time (50 to 99 hours per month) child care to be reported directly below the attended hours claimed.

If the individual fee for a subsidized child is less than the fee listed in Schedule A, Affordability Grant payment will be adjusted using the fee stated in your subsidy claim.

# Note: Please claim subsidized children only <u>once</u> below their name on the claim form. Do <u>not</u> include subsidized children in the non-subsidized count at the end of the claim.

#### Non-subsidized Children

Children who do not have or are waiting for an approval for Child Care Subsidy will not be individually listed in the operator's C3P portal monthly claim form. To receive the Affordability Grant funding for these children, you will need to report them in the statistics form on the last page of your monthly claim by including the total number of children in this category attending by age group based on registration data.

# **Calculating Affordability Grant and Parent Fees**

#### **Calculating Parent Fees**

The parent fee is the child care fee (before Affordability Grant and subsidy funding) minus the Affordability Grant funding rate. If this results in a parent fee of less than \$217.50 per month before subsidy, the amount of the Affordability Grant will be proportionately reduced to maintain the minimum parent fee of \$217.50 per month (or \$100 per month for part-time) before subsidy.

Child Care Fee	-	Affordability Grant	=	Parent Fee (before Subsidy)
(as per Schedule A)		Adjusted if required to		Or minimum of \$217.50 per month (full-
Monthly fee before Affordability		maintain minimum		<i>time/100+ hours) or \$100 per month (part-</i>
Grant and Subsidy Funding		parent fee		time/50-99 hours), before subsidy funding

#### Attendance / Illness / Vacation

The Affordability Grant is paid based on a child's age and the number of hours the child is registered to attend upon the payment of the monthly parent fee. A temporary absence of a child due to illness or vacation will not affect the grant amount the program receives for that child, providing the parent is charged their full monthly registered fee.

#### Prorated Fees/ Start and End Date

In situations where a program charges a daily rate for first or last month of care, the Affordability Grant applies if the child attends at least 50 hours for the month and the parent pays for 50-99 hours of care.

In situations where the child is registered mid-month and the program charges a part time fees (50 to 99 hours) for the first month, the part time rate of the Affordability Grant would apply. If the child starts at the end of the month and the parent is charged a fee for less than 50 hours of care, then the Affordability Grant cannot be claimed for that month.

#### Child Care Subsidy

Child care subsidy will be applied after the Affordability Grant has been removed from the child care fee. Parents who pay the minimum parent fee could have further reductions after subsidy is applied. If a parent fee reaches zero dollars, the subsidy amount will be adjusted to avoid an overpayment to the child care program.

# **Receiving Payment**

Programs receive an advance on their claim at the beginning of the month (see <u>Claim Advance – Frequently</u> <u>Asked Questions</u>) and the remainder of their funding after submitting their claim at the end of the month. Programs are normally notified directly if there will be a delay beyond 10 days. Once the monthly claim has been processed, programs can access a payment summary report through C3P.

Programs that have not been set up to receive a payment from the Alberta government need to complete the <u>Grant Funding Direct Deposit form</u> with the required information to receive a direct deposit and submit it to the Child Care Claims Unit at <u>cs.childcareclaims@gov.ab.ca</u>. The vendor set-up can take up to three weeks, so programs are encouraged to submit this form as soon as possible.

#### Payment Methods:

The Affordability Grant funding can be paid for your child care program via:

- A. Monthly Claims: You submit a claim for the previous month through the Child Care Claims Payment (C3P) system. Once approved, the payment is transferred to your bank account.
- B. Monthly Advance: If you qualify, you can receive a monthly advance to help cover your program's operating costs.

# **Monthly Claims:**

Operators can submit monthly claims through the Child Care Claims Payment (C3P) system by the beginning of the following month. Claims are typically processed within a few business days, and approved payments are transferred to the operator's bank account within a similar timeframe.

For more information about the claims process, please refer to the Online Child Care Claims User Guide.

#### Monthly Advances:

#### What is a Monthly Advance?

A monthly advance is a payment to help cover your program's operating costs until your claim for the previous month is processed and paid.

Eligibility:

To qualify for a monthly advance, your program must:

- 1. Be signed up for the Affordability Grant program.
- 2. Be a licensed child care program in good standing.
- 3. Have no planned closures for the month.
- 4. Have submitted a claim for the previous month by the 20th of the current month.
- 5. Have an active payee profile with the government.

#### **General Information:**

- 1. Definitions:
  - a. <u>A claim advance payment</u> is an estimate of an expected claim. It will be adjusted through a recovery when your actual claim is processed. If your monthly advance is greater than your actual claim, you will need to repay the difference. Any outstanding balance will be deducted from future advance payments.
  - b. <u>The most recent claimable month</u>: Is the most recent month for which the operator is able to submit a claim at the time the claim advance is being calculated. For example: The August Claim Advance is calculated in the last week of July. In July the last month an operator is able to submit a claim for is June. June therefore is the "most recent claimable month" for the August Claim Advance.

- c. <u>Advanceable Grants</u> : The Claim Advance covers the following grants:
  - d. Affordability Grant
  - e. Subsidy Grant
  - f. Wage Top Up
  - g. MEČ
  - h. CERF
  - i. Infant Child Incentive (ICI)

These grants are collectively referred to in the calculation section below as "advanceable grants"

- Calculation Method: The monthly advance is based on your average claims for the past three months. We calculate 80% of this average, minus any outstanding amounts you owe us, and round down to the nearest \$100. The details are:
  - a. 80% of the average of the "advanceable grants" claimed by the operator on the last 3 claimable months.
  - b. Less: any outstanding shortfall from previous claim advances not recovered yet (This is relevant in case a previous claim advance was higher than the claim submitted by the operator for that month.
  - c. Rounded down to the nearest \$100.
  - d. Payments are set off against recovery schedules agreed upon with the operator.

Funding During a Temporary Closure Due to a Natural Disaster Evacuation or Alert

In the event of a natural disaster, child care programs may be required to temporarily close to comply with an evacuation alert or an evacuation order issued by their communities' local authority. To ensure programs and parents have access to child care funding, programs can continue to claim the Affordability Grant for all children registered in their program, up to a maximum of six weeks.

To be eligible to claim Affordability Grant funding, child care programs must be licensed and operational at the time the evacuation alert or evacuation order is issued, and must not receive funding from another source, such as an Insurance Policy, to cover the same costs as the Affordability Grant.

During the time a program is closed as result of an emergency evacuation order or alert issued by a local authority:

- The program will qualify for the Affordability Grant regardless of whether they charge child care fees to families, and
- Parents may enrol their children in an eligible program that was not impacted by an evacuation order or alert and temporarily receive the Affordability Grant in both locations until the order has been lifted.

Information about the claims process during a natural disaster will be sent to the impacted programs at the time of evacuation. Claims information is available by contacting the Child Care Claims Unit at <u>cs.childcareclaims@gov.ab.ca</u> or by calling 1-855-638-6121.

#### **Termination of Agreement**

#### **Breach of Agreement**

In accordance with Clause 15, the following are considered a breach of the agreement:

- not meeting obligations of the agreement;
- using funding for unauthorized purposes;
- providing inaccurate or false information, or making untrue representations related to the agreement;
- failure to maintain licence, permit or approval required to operate the program; and
- failure to comply with any terms or conditions of the agreement.

Breaches of the agreement may result in termination of agreement and recovery of funds if not remedied adequately within 15 days of notification.

#### **Cancellation of Agreement**

The child care program must comply with all the terms set out in the Grant Agreement or amending agreement that was signed between the grant recipient and the Minister. Failure to comply with the terms set out in the agreement may result in cancellation of the agreement.

The ministry may terminate the Grant Agreement with a 30-day written notice. Grant Agreements will be terminated immediately in the event the Grant Recipient's licence is suspended, lapses or is otherwise terminated.

#### **Child Care Program Withdrawing from Agreement**

In accordance with Clause 16 "Termination of the Affordability Grant Agreement", child care programs may withdraw from receiving the Affordability Grant by a written Grant Agreement termination notice from an authorized licence holder representative sent to <u>cs.ccaffordgrant@gov.ab.ca</u>.

In situations where a program is eligible for the Affordability Grant but opts out of signing the Agreement, the program will not be eligible for other child care funding provided through the ministry, which includes wage topups, mandatory employer contributions, professional development, and Child Care Subsidy.

### **Reporting Concerns**

Concerns with how the Affordability Grant is being administered by a program can be reported by calling Child Care Connect at 1-844-644-5165 or by <u>emailing the Child Care Affordability Grant Team at</u> <u>cs.ccaffordgrant@gov.ab.ca</u>. All complaints are taken seriously and reviewed by Ministry staff. Every effort will be made to protect the identity of a complainant unless criminal charges or civil litigation makes disclosure necessary.

### **Other Alberta Child Care Grants**

This funding guide only applies to the Affordability Grant. The Government of Alberta also provides a number of other grants to child care programs, families and early childhood educators that are separate from the Affordability Grant.

- For information about the Alberta Child Care Subsidy Program, please visit alberta.ca/child-care-subsidy.aspx.
- For information about the Alberta Child Care Grant Funding Program (wage top-ups, professional development and release time funding), please visit <u>alberta.ca/alberta-child-care-grant-funding-program.aspx</u>.
- For information about the Alberta Child Care Space Creation Program (funding to create new child care spaces), please visit <u>alberta.ca/child-care-space-creation-grant</u>
- Please contact local Child Care Licensing staff for information about the Infant Care Incentive, which is available to eligible programs providing child care to children under 19 months.

# **Contact Information**

Please contact the appropriate area for any questions or issues relating to funding, licensing, subsidy, or for technical support. Contact information is included below and can also be found online at <a href="https://www.alberta.ca/contacts-for-child-care-programs-and-educators">https://www.alberta.ca/contacts-for-child-care-programs-and-educators</a>.

Affordability Grant funding – contact the Affordability Grant team at cs.ccaffordgrant@gov.ab.ca.

**Affordability Grant application technical support** – contact the Child Care Licensing Portal Support Team at <u>cs.licensingsystemsupport@gov.ab.ca</u>.

**Affordability Grant claims/payments** – contact the Alberta Child Care Claims Unit at 1-855-638-6121 or email <u>cs.childcareclaims@gov.ab.ca</u>.

Affordability Grant Financial reporting – contact the Affordability Grant Financial Reporting Unit at <u>cs.affordgrantreporting@gov.ab.ca</u>

**Child Care Grant Funding (Wage Top-up, PD, Release Time)** – contact the Child Care Grant Funding Program at 1-800-661-9754 or email <u>cs.childcarefunding@gov.ab.ca</u>

**Child Care Licensing** – contact your local Child Care Licensing office, or call Child Care Connect at 1-844-644-5165 and by email at <u>JET.childcareconnect@gov.ab.ca</u>

**Child Care Subsidy** – contact the Alberta Supports Contact Centre at 1-877-644-9992 or email <u>cs.childsubsidy@gov.ab.ca</u>.

**Child Care Space Creation** – contact the Alberta Child Care Space Creation Program at <u>albertachildcarespacecreation@gov.ab.ca</u>.