

Frequently Asked Questions – Subsidy Advance and Parent Fee Coverage Circular #: ELCC-2022-04 – May 2022

1. Are the subsidy advance and parent fee coverage part of a bilateral agreement?

- Yes. This initiative falls within the Canada-Manitoba Canada-Wide ELCC Agreement.
- Under this agreement, the department recently increased the subsidy eligibility thresholds by 45% which is the first step towards reaching an average out of pocket \$10 per day parent fee as committed by both Manitoba and Canada
- For more information on the Canada-Wide ELCC Agreement and action plan, visit [Canada – Manitoba Canada-Wide Early Learning and Child Care Agreement - 2021 to 2026 - Canada.ca](#)

2. What is the purpose of the subsidy advance?

- With the increase to subsidy threshold levels we anticipate that approximately 70% of Manitoba families accessing child care will be eligible to a full or partial child care subsidy.
- This is intended to relieve financial pressures on facilities by providing subsidy payments for a six month period, effective February 6, 2022, while existing and new families apply and wait for their subsidy decision.
- This is a pre-payment of the expected subsidy payments that would be made in the coming months and takes into consideration an increase in the number of families receiving a subsidy at your facility.
- The advance enables facilities to immediately enroll children, reducing the risk of interruptions to child care services for families that are waiting for their subsidy applications to be processed and assessed.
- The advance also enables facilities who have not previously accepted subsidized families to support more families, reducing their out-of-pocket expenses.

3. What is the purpose of the parent fee coverage?

- The advance payment also includes coverage of the unsubsidized portion of parent fees for a **consecutive three month period (February 6 to July 23, 2022)** to help relieve families of parent fees who are potentially eligible for subsidy.
- This along with the subsidy advance allows facilities to not charge fees to families through the application period, giving priority to low and middle income households.
- This means that the following families may be fully subsidized for the three month period:
 - o 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
- The advance payment provides facilities with the discretion to choose the consecutive three month period between February 6, 2022 and July 23, 2022 in consideration of the full collective of the families served by the facility.
- Following the three month consecutive period, any remaining funds can be used to support lower and middle income families during the subsidy application period until such time as the funds are exhausted.

4. Did all licensed child care facilities receive this advance?

- All child care facilities who indicated they are willing to accept subsidized families on Child Care Online, received a subsidy advance and parent fee coverage payment from the department.
- All facilities including, funded, unfunded and private child care facilities are encouraged to accept subsidized families as we anticipated a greater number of families being eligible for a full or partial subsidy.

5. Why are some families paying nothing while others are still paying full price?

- This initiative is to support families who currently receive a child care subsidy and those who have applied for a child care subsidy.
- All families that apply for a subsidy can have their parent fees waived for up to three consecutive months allowing their application to be assessed and their subsidy decision received.
- Families that choose not to apply for subsidy will continue to pay their parent fees at current rates. Although we are encouraging all potentially eligible families to apply and be assessed, this remains a personal choice.

6. How is the subsidy advance being calculated?

- The subsidy advance is a pre-payment to facilities based 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.
- The current number of subsidized children at a facility was one of a number of factors 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.
- Typically, families are charged full fees while waiting or their subsidy decision, and facilities make adjustments when a decision is received. With the advance facilities may waive parent fees for applicant families for a three month period eliminating the need to make payment adjustments.

7. If I am unfunded facility that does not currently enroll subsidized children, should I have received the subsidy advance and what should I do with the funds?

- Yes. The subsidy advance provides all facilities with funds to immediately enroll the expected increased number of children whose families who are applying for a child care subsidy or to support existing subsidized families.
- Facilities that received the advance funding are encouraged to retain these funds for the six-month period to support potential new families applying for a child care subsidy.
- Your Child Care Coordinator is available to discuss options for your ongoing business planning as to relates to the potential impact of the expanded subsidy program for all child care providers, including those not currently receiving funding or choosing to not receive funding

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

- Current attendance reporting and reporting periods remain unchanged. This requirement of facilities provides the utilization information to assess grants and subsidy payments.
- If required, at the end of the six-month period, the department will adjust future subsidy payments to the child care facility, whether they require additional funding or a reduced amount based on the assessed levels of families. No further action is required of the child care facility.

9. Do I need to submit attendance reporting?

- Facilities receiving provincial funding of any kind (operating grant funding, child care subsidies, inclusion support program funding, etc.), are required to submit monthly attendance reports (“facility reports”) through the Child Care Online system within 30 days of the end of each four-week attendance reporting period.
- Facility reports are expected at the end of every four-week attendance period, even if you do not have subsidized children currently enrolled.
- Please see Circular ELCC-2022-01 for further details on attendance reporting

10. If I am an unfunded facility, do I also need to submit an attendance report?

- If you are an unfunded facility that does not receive any type of grant funding from the Province and you do not have any subsidized spaces, then you do not need to submit an attendance report.

- If you are an unfunded facility that will start to enroll children of families who are applying for subsidy, then you will need to submit an attendance report. Reporting (see question #9).

11. If I am a funded or private facility who has not received this advance, but I have decided to consider accepting subsidized children in the future, what are my next steps?

- Contact your Child Care Coordinator or email cdcinfo@gov.mb.ca to discuss your options.

12. Who do I contact for more information about the Child Care Subsidy Program and advance payment?

- 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.