

What is the '\$10-a-day childcare' initiative?

The Government of Alberta is working with the Federal Government to increase funding to licensed daycares and parents through grants and subsidies. Learn more at https://www.alberta.ca/federal-provincial-child-care-agreement.aspx.

The intent is to decrease the <u>average</u> cost of childcare for children attending full-time care (100 hours per month or more) <u>across a 5 year period</u>. The goal is to help full-time working parents be able to work, and provide care for their children.

The initiative begins in mid-January 2022, with a goal date for full implementation of the program by December 2027.

What funding will be provided?

There are two types of funding announced currently for a January 2022 start: **Operating Grants** and **Increased Qualifying Income for Subsidy to Parents.**

OPERATING GRANTS

Sometime forward of mid-January 2022, Centres like Aspen Hill will receive a set amount for every child that is <u>registered to attend for more than 100 hours per month</u>. This amount would be removed up front from our posted fee rates (what you pay by cheque each month).

Please note, AHM has not received a firm start date for this program. Until the Centre begins receiving Operating Grants and passes more information back to parents, parents are required to continue paying their contracted tuition rates as posted in their placement letter. We promise we will let you know as soon as we need new cheques! ©

If a child is not enrolled at least 100 hours per month, operating grants removed from your fee will be significantly less than the posted table or not available at all.

Here's how the Operating Grant may benefit you:

| Program level | 2022-2023 fee schedule per month | Operating grant received by AHM | The fee that may apply to you in March 2022++ / when the program rolls out |
|---|-------------------------------------|---------------------------------|---|
| Nido (8 mns – 19 mns), attending over 100 hours per month | \$2,200 | \$635 | \$1,565 |
| Bambini (19mns – 36 mnts), attending over 100 hours per month | \$1,400 | \$510 | \$890 |
| Casa (3 – 6 years), attending over 100 hours per month | \$1,100 | \$450 | \$650 |



INCREASED QUALIFYING INCOME FOR SUBSIDY TO PARENTS

The Province currently operates a childcare subsidy program for lower income families. Children must attend more than 100 hours to receive subsidy payments. Parents are required to apply for this program directly with the Province. Learn more about the current program here: https://www.alberta.ca/child-care-subsidy.aspx

The subsidy program qualifying income top level was previously a household total of \$90,000. Starting in mid-January 2022, this threshold will increase to \$180,000, and the amounts of subsidy paid to parents changes to the new schedule. You must make under \$119,000 in your household to qualify for the full subsidy amount each month. Your subsidy amount scales down the more money that you earn.

All other aspects of the program remain the same:

- You must still apply directly to the Province through a MyAlberta ID with various documentation (approval can take 6-8 weeks)
 - Other qualifying factors, such as Canadian citizenship and parents must be working full-time, may also apply
- Parents will continue to be responsible for your full AHM tuition payments up-front, as they apply to you post-Operating Grant
- The Centre will submit an hours' count of your child's attendance to the Province at the end of each month
- Payments will still be sent to the Centre 2-3 weeks after your child's attendance based on the hours that your child actually attends the program (must be over 100 hours each month)
- The Centre will reimburse you your subsidy amount (methods TBC)

Please note, the Province has indicated that they will only accept new subsidy applications under the new rules starting mid-January 2022, and to expect a significant delay in processing. This means that your subsidy approval may not take effect until April or forward. Thank you for understanding that AHM cannot refund or reduce tuition fees in advance of proper documentation being received from the Province.

What attendance schedules qualify for the funding?

All new funding and grant programs are primarily focused on children who attend care 100 hours or more per month. There is some pro-rating for shorter schedules, but the funding tapers off very quickly.

At Aspen Hill, you must currently be attending a minimum of 4 full days per week (9AM – 3:30PM), or 3 full days with full before and after care (7:30AM – 4:30PM), in order to be considered for EITHER of the Operating Grant or the Parent Subsidy programs. (There are other qualifying factors for Parent Subsidy as well, discussed below.)

Children who only attend 3 full days (or less) with no before or after care will not see their fees reduced by much if at all.



Aspen Hill Montessori will be issuing funding letters by mid-January to all 2021-2022 season families that indicate how the Operating Grant affects them, when it will take effect, and what new cheques will be required / by when if applicable.

How does this affect the 2022-2023 learning season?

The Provincial program is designed to prioritize working families for childcare, and help the Province recover from the pandemic. In order to maximize grants and subsidies available for families, and to make spaces available for families that need care, Aspen Hill Montessori will be prioritizing registrations of 4 and 5 full day schedules until March 15 2022 (for returning and new families). (new as of Dec. 1 2021)

If you are a returning family and would still prefer a 3 full day schedule, please reach out to <u>admissions@aspenhillmontessori.ca</u> before pre-registering.

What actions can I take now to be prepared?

- 1. If you were planning on a 3 day schedule for 2022-2023, consider a 4 or 5 day schedule instead. This will mean that you will have enough attendance hours to receive the full Operating Grant. If you do not wish a 4 or 5 full day schedule, your registration may be delayed until March 2022 / you may not receive a space for Fall 2022.
- Read about the base subsidy program now and get set up to apply in mid-January 2022
 (https://www.alberta.ca/child-care-subsidy.aspx
). (If you earn under \$90,000 in your household, apply now!)
 - a. Create / update your MyAlberta Digital ID (https://account.alberta.ca/)
 - b. Complete the Canada Revenue Agency Consent and Declaration form (https://formsmgmt.gov.ab.ca/Public/CDEV0022.xdp)
 - c. Locate and scan you and your spouse / partner's most recent Notice of Assessment from the Canada Revenue Agency
- In early January, access the Province's Estimation Tool to help you determine how much subsidy, if any, you qualify for: https://www.childcaresubsidy.gov.ab.ca/ccs/ccs_public.nsf/Estimator?OpenForm

We will continue to communicate information to parents as soon as we have it available.

The information in this summary is to assist parents at AHM only, and should not be considered the only resource on the new programs. Resources consulted:

https://www.alberta.ca/assets/documents/cs-child-care-fact-sheet-for-parents.pdf https://www.alberta.ca/assets/documents/cs-child-care-subsidy-rates.pdf

For questions about subsidy: call the Alberta Supports Contact Centre at 1-877-644-9992 or e-mails <u>cs.subsidyappfeedback@gov.ab.ca</u>.



FAQs

When will my fees at AHM go down to \$10 a day?

Each childcare centre will always be able to set their own tuition fees. Funding like the Operating Grant and the increased Parent Subsidy are intended to move the line closer to \$10 a day care over a 5 year period, but it will not be an exact or guaranteed amount at every centre in Alberta.

High quality and specialized early learning Centres like Aspen Hill will always be a higher investment to attend. The new funding will make it possible for even more families to invest in quality care, or to invest in additional care to make it more affordable to return to work.

Can I write new cheques starting January 2022 removing the Operating Grant from my tuition?

Once we receive a firm timeline and administrative instructions on how Operating Grants will be registered, and when they will arrive to the Centre, we will provide families with a funding update letter specific to their child. This letter will contain with instructions on revised payments.

Until this point, current families must continue with their committed tuition payments.

I don't need my child to attend full time in 2022-2023, but I want to get the grant money. Should I register for full-time?

Full-time learning benefits your child and can assist with creating more time for parents to work / pursue activities to benefit the community. We have prioritized registration for 4 and 5 day schedules until March 2022 as part of our commitment to this Government program.

How do the grants and funding affect the June deposit that AHM takes?

The tuition deposit for the last month of learning will remain at the full posted rates, NOT including the Operating Grant, applicable to your child's level and placed schedule. As long as your child completes their learning season with our Centres, you will receive the applicable Operating Grant for your situation refunded to you within 30 days of completion of the learning season.

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

Affordability

Overview

The agreement will support families with children not yet in kindergarten by:

- Reducing licensed child care fees by an average of 50 per cent for all families in early 2022.
- Lowering fees to an average of \$10/day per child by 2026.

We'll be reducing fees in two ways:

- · operating grants that will directly support child care providers; and
- targeted supports to eligible families through the Child Care Subsidy Program with new rates and thresholds.

Included in this document are details on facility-based child care and preschools. We are currently working with licensed Family Day Home agencies to gather information about their current contracts and capacity. **Information regarding operating grants for Family Day Home agencies is coming soon.**

Operating Grants

All licensed daycares, preschools and family day home agencies will receive an operating grant based on their child enrollment. Programs will use the operating grant funds to reduce parent fees.

Operating grants were calculated using average program fees across the province, per space per month, based on the type of child care and the age group.

Spaces for infants (children under 19 months) receive the highest grant rates, given the low staff to child ratio and the additional costs of operating infant spaces.

The infant care incentive will no longer be provided as a stand-alone payment. Instead, it has been included in base operating grant amounts to be more administratively efficient and to reflect increased operational costs of spaces for children 0-18 months.

OPERATING GRANTS

Licensed Facility-Based Daycare Licensed Preschool

| Infant | Toddler | Preschool-Age | Preschool-Age |
|--------|---------|---------------|---------------|
| \$635 | \$510 | \$450 | \$75 |

If a child is not enrolled full time (at least 100 hours per month), operating grants will be pro-rated in facility-based daycare programs.

All programs with existing licensed spaces (and those in the licensing approval process) will receive affordability supports beginning in January 2022.

Children's Services is streamlining operating grant distribution to reduce red tape and administrative costs for programs.



Child Care Subsidy

In January 2022, income thresholds for Child Care Subsidy will increase to \$179,999, making additional support available to more families who have young children not yet attending Kindergarten.

To further reduce fees for families who need it most, subsidy rates and income thresholds will be adjusted, along with operational grants to programs. This means more Albertans will be eligible for a child care subsidy.

Families with children not yet in Kindergarten who meet the other Child Care Subsidy <u>eligibility criteria</u> and earn a gross household income under \$180,000 are eligible to apply for subsidy as early as mid-January, 2022. Full subsidy is available to families with incomes up to \$119,999 and partial subsidy is available to families with incomes from \$120,000 - \$179,999.

We expect a high volume of applications for subsidy in January given the increased number of parents who will be eligible. This may result in longer processing times. We will attempt to minimize any delays; however, some programs might receive a back payment for January subsidies.

MAXIMUM SUBSIDY RATES FOR LICENSED DAYCARE CENTRES

| Income | Percentage of Maximum Subsidy | Rates for Children 0-Kindergarten * |
|------------------------|-------------------------------|-------------------------------------|
| \$0 to \$119,999 | 100% | \$266 |
| \$120,000 to \$124,999 | 95% | \$253 |
| \$125,000 to \$129,999 | 90% | \$239 |
| \$130,000 to \$134,999 | 85% | \$226 |
| \$135,000 to \$139,999 | 80% | \$213 |
| \$140,000 to \$144,999 | 75% | \$200 |
| \$145,000 to \$149,999 | 70% | \$186 |
| \$150,000 to \$154,999 | 65% | \$173 |
| \$155,000 to \$159,999 | 60% | \$160 |
| \$160,000 to \$164,999 | 55% | \$146 |
| \$165,000 to \$169,999 | 50% | \$133 |
| \$170,000 to \$174,999 | 45% | \$120 |
| \$175,000 to \$179,999 | 40% | \$106 |

^{*} Children in daycare must attend 100 hours or more to receive the maximum subsidy rate listed under the families' income bracket.

The grant and the subsidy together will help reduce fees by 50% by early next year on average, and target supports to those who need it most.

For example, a family earning \$75,000 per year with one toddler attending a day care program would be eligible for full subsidy. If the fee at the program is \$1,000 per month, the day care program will receive \$510/month in an operating grant and the family would be eligible for \$266/month. The remaining parent portion is \$224/month or approximately \$10/day.

As another example, a family earning \$130,000 per year with an infant attending a day care program would be eligible for partial subsidy. If the fee at the program is \$1200 per month, the program will receive \$635/month in an operating grant and the family would be eligible for \$226/month in subsidy. The remaining parent portion is \$339/month or \$15.60/day.

Preschool Subsidy for Children attending Licensed Preschool

As preschools typically offer part-time programs that run 2 to 3 half-days per week, subsidy for children enrolled in preschool remains at a flat rate of \$125 per month for all families earning up to \$180,000 per year.

As preschool programs are part-time, children are not required to meet minimum attendance hours.



Out of School Care Subsidy for Children in Kindergarten and Grades 1 to 6

The province remains committed to supporting school-aged children by continuing to provide a subsidy using the previous eligibility threshold of gross family income under \$90,000.

- Subsidy rates for school-aged children in Kindergarten and grades 1 to 6 are not changing. The rates for school-aged children in facility-based centres and family day home agency programs are outlined in the table below.
- For children in Kindergarten, the maximum subsidy rate is \$644 per month (in a facility-based program) or \$516 per month (in a home-based program).
- For children in grades 1 to 6, the maximum subsidy rate is \$366 per month (in facility-based and home-based programs).
- Families earning more than \$50,000 but less than \$90,000 per year will receive a partial subsidy.

MAXIMU RATES FOR LICENSED FACILITY-BASED CENTRES AND FAMIY DAY HOME AGENCY PROGRAMS

| Income | Children Enrolled in Kinderg | Children Enrolled in Kindergarten | |
|---------------------|------------------------------|---|--------|
| | Facility-Based Centres | Family Day Home Ag | encies |
| \$0 - \$49,999 | \$644 | \$516 | \$366 |
| \$50,000 - \$54,999 | \$612 | \$490 | \$348 |
| \$55,000 - \$59,999 | \$547 | \$439 | \$311 |
| \$60,000 - \$64,99 | \$483 | \$387 | \$275 |
| \$65,000 - \$69,999 | \$419 | \$335 | \$238 |
| \$70,000 - \$74,999 | \$354 | \$284 | \$201 |
| \$75,000 - \$79,999 | \$290 | \$232 | \$165 |
| \$80,000 - 84,999 | \$225 | \$181 | \$128 |
| \$85,000 - 89,999 | \$161 | \$129 | \$92 |
| | Rates reflect attendance of | Rates reflect attendance of 100+ hours. | |

