



Report To:	Program Planning Committee
From:	Donna Moroso, Director of Integrated Social Services Ray Hannah, Children's Program Supervisor
Date:	September 25, 2013
Re:	Child Care Rates & Capital Policies

RECOMMENDATIONS

THAT the Manitoulin-Sudbury DSB approves a decrease to child care rates for the Manitoulin-Sudbury District jurisdiction effective October 1, 2013.

THAT the Manitoulin-Sudbury DSB approves a new policy on Capital Funding.

The purpose of this report is to:

- Support access to affordable and accessible early learning services for children and families.
- Promote occupancy of child care spaces to help centres reach capacity.
- Support child care agencies in the transition and modernization of the child care sector as it adapts to the implementation of FDK.
- Support system expansion and/ or improvement when there is a demonstrated need.

Background

In 2010, universal rates for child care fees became effective across the DSB jurisdiction. While child care centres agreed to universal rates, the implementation, for some operators, was to take place within a maximum of 5 years. Since that time, and although the rates were based on an average competitive fee, operators have agreed that the rates are too high. Building on the foundation of universal rates, the DSB, along with child care operators, agreed that lowering rates would be beneficial for families. With the lowering of child care rates, child care operators will see some of their increased support, which they received from the new Operating Grant, being utilized on lowered fee revenue for the benefit of families.

In the past, leading up to the release of the new child care funding guidelines, the DSB's capital funds were limited to one-time, in year, MCYS allocations. In addition to not knowing the amount of capital available, CMSM's and DSSAB's had no foresight on if, or when, they would be available. Under the new guidelines, CMSM's and DSB's have received a specific capital allocation along with the discretion to top-up the amount utilized.

REPORT

Since the early part of 2013, and following the release of the new child care funding guidelines, the Children's Service's Department, of the Manitoulin-Sudbury DSB, has been engaged in several meetings with child care operators. As a result of the increased funding envelope from the Ministry of Education (MEDU), the Manitoulin-Sudbury DSB has been busy reviewing, creating, and revising child care policies. Policy changes have been conducted to ensure that child care operators are supported in a manner that supports quality child care that promotes clients accessibility of affordable quality child care programming.

In June 2013, the DSB board approved four new or revised policies which include: [Repairs and Maintenance](#), [General Operating Grant](#), [Capacity Building](#), and [Play Based Material and Equipment](#). In a continued effort to provide high quality early learning services for children and families, and to benefit our families with our increased funding envelop, the DSB and child care operators have strategically agreed to lower child care rates for child care centres. As a result, staff have revised the [Child Care Rates Policy](#) to reflect the changes and the new rates per the below:

Universal Rates and Care Codes for Child Care Centres

Child Care Codes	Old Rates	New Rates
Extend Day Care: Infants (iExt)	\$55.50	\$50.00
Extended Day Care: Toddlers (tExt)	\$45.00	\$40.00
Extended Day Care: Preschool (pExt)	\$40.00	\$35.00
Extended Day Care: School Age (sExt)	\$38.50	\$32.00
Full Day Care: Infants (iF)	\$50.00	\$45.00
Full Day Care: Toddlers (tF)	\$40.00	\$36.00
Full Day Care: Preschool (pF)	\$35.00	\$32.00
Full Day Care: School Age (sF)	\$35.00	\$30.00
Half Day Care: Infants (iH)	\$37.00	\$30.00
Half Day Care: Toddlers (tH)	\$30.00	\$25.00
Half Day Care: Preschool (pH)	\$25.00	\$25.00
Half Day Care: School Age (sH)	\$25.00	\$20.00
Socialization Care: All ages (SLZN)	N/A	\$15.00
Before and After School Care: (BA)	N/A	\$15.00
After School Care: (AS)	N/A	\$10.50
Before School Care: (BS)	N/A	\$ 7.00

With regards to Private Home Day Cares (PHDC), and in keeping with the goal of universal rates, these rates were also revised. With consideration that PHDC rates were, and will remain, lower than centre based rates, the rates were revised based on the uniqueness of PHDC's. For example, PHDC staff to child ratios are much lower (5 children) and do not consider the age of the child. Whereas with centre based care, the ratios of children to staff increase as the children get older. Additionally, the older children generate more revenue as the ratio of staff to children increases. With PHDC, the ratios remain the same and the costs go up for older children (i.e. food costs– older children eat more and parents tend to bring things for the younger children such as formula for infants).

The end result is that both agencies now have a universal rate. West Nipissing Child Care (WNCC) lowered almost all their rates to achieve a universal rate whereas Manitoulin Family Resources (MFR) increased rates. Since the majority of home based rates are still lower than centre based rates, the increased rates should not adversely affect the number of children in PHDC.

Universal Rates and Care Codes for Private Home Programs

Child Care Codes	Old Rates	New Rates
Overnight Care: Infants (iO)	\$56.00	\$58.00
Overnight Care: Toddlers (tO)	\$54.00	\$56.00
Overnight Care: Preschool (pO)	\$52.50	\$54.00
Overnight Care: School Age (sO)	\$52.50	\$54.00
Extend Day Care: Infants (iExt)	\$45.60	\$46.00
Extended Day Care: Toddlers (tExt)	\$44.00	\$44.00
Extended Day Care: Preschool (pExt)	\$42.00	\$42.00
Extended Day Care: School Age (sExt)	\$42.00	\$42.00
Full Day Care: Infants (iF)	\$36.00	\$36.00
Full Day Care: Toddlers (tF)	\$33.00	\$34.00
Full Day Care: Preschool (pF)	\$31.50	\$32.00
Full Day Care: School Age (sF)	\$31.50	\$32.00
Half Day Care: Infants (iH)	\$29.00	\$28.00
Half Day Care: Toddlers (tH)	\$26.00	\$26.00
Half Day Care: Preschool (pH)	\$24.00	\$24.00
Half Day Care: School Age (sH)	\$24.00	\$24.00
Before and After School Care: (BA)	N/A	\$16.00
After School Care: (AS)	N/A	\$10.00
Before School Care: (BS)	N/A	\$7.00
Less than 2 hours: Infants (iM)	\$14.00	\$14.00
Less than 2 hours: Toddlers (tM)	\$12.50	\$12.00
Less than 2 hours: Preschool (pM)	\$10.00	\$10.00
Less than 2 hours: School Age (sM)	\$10.00	\$10.00

The new child care rates have been agreed to by all of the Executive Directors of the Child Care Centres with the understanding that where the change in rates may adversely affect the centre, an implementation plan would be developed to ensure the centre reached the new rates within a reasonable period of time. The Child Care Centres are now in the process of obtaining formal approval through their Boards of Directors. While some operators do not meet with their boards until the end of September, it is highly anticipated that the new rates will be approved by all child care centres involved. It is anticipated that lowered rates will promote higher child care space occupancy which will help to offset the lowered revenues resulting from lowering the rates.

In addition to a rates policy, was the development of a [Child Care Capital Policy](#). As a welcomed addition / allocation to the new child care funding guidelines, this policy will allow the DSB to support the system needs of child care centres as they adapt to full day kindergarten (FDK) and occupancy increases.

More specifically, capital funding will help to offset the costs of renovations of existing child care centres to serve younger aged children as 4 and 5 year olds enter FDK. Capital funds may also be provided to an approved non-profit child care centre for the cost of system expansion and/or improvement when there is a demonstrated need. The DSB's CAO will have the authority to allocate and approve available funds in year to capital projects based on prioritized need, in year pressures and available funds.

Renovations may include, but are not limited to:

- Adding a wall to create an infant sleep room in a previous JK/SK room.
- Renovating a playground space.
- Renovating washrooms for toddlers.
- Increasing child care space due to demand and need.
- Costs of moving and renovations to adapt space.

Conclusion

The lowering of child care rates is a positive step that will benefit the children and families of the Manitoulin-Sudbury DSB catchment area. It will also promote increased occupancy for child care centres that are not at full capacity. Due to the agreed decrease to rates, families will see a child care fee decrease that averages to nearly 15 percent when averaged across all child care fee codes, and in comparison to the current rates. The Manitoulin-Sudbury District DSB remains committed to supporting affordable, accessible, and quality early learning services for children and families.