

Policies and Procedures for Non-Profit Centres: Fees for Unfunded Spaces

1.0 Policy Statement

This policy outlines the circumstances when the board of directors of a non-profit centre, which does not receive operating grant funding for all of the centre's licensed spaces may consider implementing daily fees that exceed the fees set out in Schedule D or D.1 and explains the actions to be taken by the centre.

2.0 Background

Manitoba Regulation 62/86 Subsection 38(7) outlines that a centre which receives an annual operating grant shall charge the same fee for each child who receives the same type of care. Schedule D and D1 outline the maximum daily fees that may be charged when an operating grant funding is received for that space-type. Subsection 38(2.1) states that licensed centres may not charge more than the maximum daily fees for subsidized families.

The availability of operating grant funding is dependent upon resources available in the provincial budget. If funding is not immediately available for a new centre or expansion spaces within a funded centre, the spaces are put on a waitlist to be considered for operating grant funding at the next possible opportunity. As such, a non-profit centre may receive operating grant funding for all, a portion or none of their licensed spaces.

The board of directors is the legal entity and authority for licensed non-profit centres. The governing board is responsible for managing and conducting the affairs of a centre, including the development and implementation of policies. It is accountable for the effective management of the centre's business and for all aspects of the centre's programs, staff and funds.

3.0 Purpose

The board of directors of partially funded centres may want to increase daily fees in order to increase revenue and ensure financial viability and sustainability.

4.0 Definitions

Early Learning and Child Care (ELCC) Program: The Department of Families branch responsible for the licensing and monitoring of child care facilities.

Space Type: the type of child care space: infant, preschool, school age or nursery school.

Centre: A licensed infant, preschool or school age centre or nursery school.

Funded Centre: A licensed child care centre which receives annual operating grant funding.

5.0 Policy

If some or all of the licensed spaces of a space-type in a centre are funded, the centre cannot implement daily fees that exceed the regulated maximum daily fee for that space-type.

If all of the licensed spaces of a space-type in a centre are unfunded, the board of directors may set a daily fee that exceeds the regulated maximum daily fee for non-subsidized families for that specific space-type.

6.0 Core Supporting Standards and Procedures

6.1 Standards

The board of directors may consider, approve and implement a daily fee structure which incorporates:

- a) the maximum daily fees as outlined in Schedule D or D1 which are charged for specific space-type(s) for subsidized and non-subsidized families; and
- b) a higher daily fee for non-subsidized families when all of the licensed spaces for a specific space-type(s) are unfunded (the fee structure must outline the maximum daily fee as outlined in Schedule D or D1 which are charged for subsidized families using the space-type that has a higher fee for non-subsidized families).

The daily fee structure must be clearly outlined in the parent policy manual which is provided to families at the time of enrolment.

6.2 Procedures

When implementing a new daily parent fee structure or an increase to the daily fee for unfunded spaces for a specific unfunded space-type(s):

- It must be reviewed and approved by the centre's board of directors;
- Written communication must be provided to all families which allows for an appropriate notice period before a fee increase takes effect; and
- The parent policy manual must be revised to include the revised daily fee structure to ensure it is provided to all new families at the time of enrolment.

Payment of fees must be documented and receipts issued in accordance with generally accepted accounting standards.

The revenue generated by the fees must be detailed in the *Fee Schedule* of the budget and financial audit for a centre and on the *Nursery School Annual Operating Grant Application* form for a nursery school.

7.0 Resource Documents

Examples - Fees for Funded and Unfunded Spaces

8.0 Policy Documents

The Community Child Care Standards Act

Manitoba Regulation 62/86