



# **Early Childhood Development Services**

## **Early Childhood Enhancement Grant**

### **Terms and Conditions**

**2010-2011**

## Table of Contents

<i>Background</i> .....	2
<i>Terms and Conditions Overview</i> .....	3
Grant Description .....	3
Eligibility Criteria .....	5
Grant Distribution Criteria .....	5
Grant Allocation – Grandparented Funding .....	7
Grant Timelines.....	7
Communication to Facility Staff.....	7
Communication to Stakeholders/Parents/Guardians .....	7
<i>Application Process</i> .....	8
Required Documentation .....	8
Contact Information.....	8
Submission of the Application package .....	8
<i>Grant Application Review Process</i> .....	9
Applications Reviewed for Eligibility and Completeness.....	9
Notification of Approved Applications .....	9
<i>Disbursement of Funds Process</i> .....	9
<i>Recovery of Funds Process</i> .....	10
<i>Accountability Process</i> .....	10
<i>Appendix “A” - Definitions</i> .....	11

## Background

One of the priorities of the Department of Community Services ('the Department') is to strengthen the child care sector by providing services and funds to "*ensure that all Nova Scotia children enjoy a good start in life and are nurtured and supported by caring families and communities*". This is compatible with the Department's goal of "*self reliant people, strong families and inclusive communities*".

A number of investments have been made in Early Childhood Development Services (ECDS) including providing funding support to full-day and part-day child care facilities to improve the wages and benefits of early childhood educators.

This document describes the Early Childhood Development Services' terms and conditions regarding the Early Childhood Enhancement Grant (ECEG) (*The Early Childhood Enhancement Grant replaces the Child Care Operating Grant and Child Care Stabilization Grant*).

## Terms and Conditions Overview

The Early Childhood Enhancement Grant (ECEG) will provide funding support to full and part day child care facilities to enhance the salaries of child care educators, building a foundation for educator recruitment and retention. A portion of this grant is also intended to support general operating expenses and professional growth.

These Terms and Conditions clarify the responsibilities of the child care facility and the Department, as well as ensure adequate accountability for the funding provided through this grant.

**Note: Please refer to “Appendix A – Definitions” for definitions of the terms used throughout this Terms and Conditions document.**

### Grant Description

The ECEG is available to all licensed full-day and part-day child care facilities. This grant's funding support is intended to help promote increased salary and benefits to the child care educators that provide direct care to children attending child care facilities. This support will enhance a foundation for child care educators in recruitment and retention. A portion of this grant funding is also intended to support a facility's general operating expenses and professional growth of child care educators.

**Please note: ECEG funds are NOT to be used for capital expenses.**

When calculating the amount of a facility's ECEG funding amount, the following is used:

$$\boxed{[\text{Required Educators x Per Diem}] \times [\text{Annual Operating Days}] \times [\text{Centre Type}]}$$

o **Required Educators =**

$$\begin{aligned} &[(\text{Average Infants Enrolled FT}) + (\text{Average Infants Enrolled PT} \times .5)] \div 4 \\ &\quad + \\ &[(\text{Average Toddlers Enrolled FT}) + (\text{Average Toddlers Enrolled PT} \times .5)] \div 6 \\ &\quad + \\ &[(\text{Average Preschoolers Enrolled FT}) + (\text{Average Preschoolers Enrolled PT} \times .5)] \div 8 \\ &\quad + \\ &[(\text{Average School Age Enrolled FT}) + (\text{Average School Age Enrolled PT} \times .5)] \div 15 \end{aligned}$$

The required number of Educators for each age group will be rounded up to the next whole number.

Description of the formula:

- **Required number of child care educators (educator(s))**
  - **Child Enrollment** by age group (Infant, Toddler, Preschool, and School Age) used to calculate the required number of Child Care Educators.
    - **Full Time:** Children attending 30 hours or more per week are full time- multiply by 1.0
    - **Part Time:** Children attending less than 30 hours per week are part time- multiply by 0.5
  - Day Care Regulations made pursuant to the *Day Care Act R.S.N.S. 1989, c. 120*, states the required educator to child ratio. This ratio is used to calculate the required number of educators per child group;
  - Calculation Notes:
    - The number of required educators will be rounded up to the next whole number. i.e. if 5 infants are enrolled full time and 1.25 educators are required it will be rounded up to 2 educators;
    - Required number of educators will be based on the child enrollment;
    - The education level of the educators employed at the facility will determine the per diems used in the ECEG calculation, moving from the highest to the lowest education levels;
    - When the number of educators at a facility exceeds the required number of educators, the ECEG calculation will be limited to the required number of educators.
- **Daily Per Diem for Educators**

Educator Training Level	Per Diem
ECE Degree	\$42 per day
ECE	\$40 per day
EQU	\$32 per day
Untrained (UNT)	\$24 per day

- **Annual Operating Days** will be a sum of the monthly operating days provided in the application to a maximum of 260 days.
- **Centre Type:**
  - Full-day license -multiply by 1.0
  - Part-day license –multiply by .33

## ***Eligibility Criteria***

In order to be eligible to receive the ECEG, the child care facility must be licensed as full-day or part-day child care.

A facility is not eligible for (ECEG) funding if:

- The Child Care Facility's license to operate a day care facility has been suspended, cancelled or not renewed;
- The Child Care Facility (full day facility only) has not signed a Portable Subsidized Child Care Spaces Agreement;
- A court has granted a bankruptcy petition or appointed a trustee for the facility;
- The Child Care Facility ceases operations; or
- The Child Care Facility is sold.

Facilities receiving funding must be in compliance with:

- The *Day Care Act* and Day Care Regulations;
- These "Terms and Conditions"; and
- The Funding Agreement.

Facilities that fail to meet the eligibility criteria may be audited and have their grant funding adjusted, suspended or terminated.

## ***Grant Distribution Criteria***

All full-day and part-day licensed child care facilities receiving the ECEG must distribute the funding provided through this grant in accordance with the following criteria:

Only child care facility educators who work directly with children are eligible to receive salary and benefit enhancement as a result of this grant funding; and

- A minimum 80% of the grant funds allocated to the child care facility **must** be spent on salary and benefits for child care educators providing direct care to children (based on education and training levels.)
  - Early Childhood Educators Degree
  - Early Childhood Educators Diploma
  - Equivalent educators who meet the criteria for Equivalent status
  - Untrained staff who work with children
  - Directors whose responsibilities include working directly with children; are full time; are on site; are eligible to receive ECEG funding according to their training level. No director may receive more funding than the average child care educator with the same training level.
- Grant funding must be distributed as part of regular earnings (weekly / bi-weekly).

- Grant funding must be distributed in addition to the facility's base wage and/or current provincial minimum wage.
- Grant funding must be distributed in direct relation to the training levels of eligible educators, as identified in "Daily per diem for Educators" table on page 4.
- A maximum of 15% of the grant funding can be allocated toward day to day operating expenses. Supporting documentation may be requested by the Department for such expenditures.
- A minimum of 5% of the grant funding must be allocated to professional growth intended to provide a support system for new and existing educators working in child care. **A work plan must be submitted to outline facility's intent for professional support.** This work plan is included in the Early Childhood Enhancement Grant application.

This 5% funding can be used to:

- Develop and implement an orientation program for staff;
- Develop resources/materials & provide support for staff training and career progression;
- Provide on-going coaching/advising to staff on best practices and program delivery;
- Provide resources/materials to enhance staff's knowledge and experience.

Early Childhood Development Consultants (ECDC) will work with child care facilities to ensure projected professional growth activities are on track.

Child care facilities receiving funding will be required to submit an updated Work Plan annually. The updated Work Plan will be subject to a review. The updated Work Plan will demonstrate the accomplishments of the Professional Growth for the previous period and provide the plan for the upcoming year.

Child care facilities will be monitored by their ECDC. The purpose of the monitoring is to ensure the implementation of the goals and objectives for the provision of Profession Growth as identified in the Work Plan. Child care facilities are responsible for monitoring their progress quarterly against the goals outlined in their Work Plan. An ECDC will request a meeting to review the progress against the Work Plan to:

- Review the status and acknowledge the successes;
- Identify areas for improvement; and
- If required, will work with the child care facility to develop corrective actions to achieve the goals and plans outlined in the Work Plan.

Child care facilities who fail to meet the distribution criteria as stated in the terms and conditions of the Early Childhood Enhancement Grant may be audited and may have their grant funding adjusted, suspended or discontinued.

## ***Grant Allocation – Grandparented Funding***

### **Previously ‘grandparented’ (2008/2009) (CCOG funding only)**

- These child care facilities will continue to receive funding at the same levels until a reconciliation period shows a decrease in enrollment or required child care educators in excess of 10% or 4 spaces.
- The funding allotments will be adjusted (decreased) by the same percentage/spaces in cases where enrollment and child care educators have decreased.

***Note: All facilities, even those who may be ‘grandparented’, are required to apply for funding under the ECEG. Applicants that are ‘grandparented’ will be required to enter into the same Funding Agreement and complete and submit the Annual Report.***

## ***Grant Timelines***

Application packages must be completed and received by the ECDC in the Regional Offices by the applicable date.

Funding will be distributed quarterly. Funding installments will be processed on the first business day of each quarter.

Funding will be reconciled (Annual Report) every 12 months using the preceding calendar year’s 12 month information.

## ***Communication to Facility Staff***

Facilities are required to provide child care educators with:

- Access to a copy of the Early Childhood Enhancement Grant Terms and Conditions;
- Details on the amount of funding the facility will be receiving;
- Details on how this funding was calculated;
- Details on how the funding is being distributed within their facility; and
- A cheque insert/notification indicating what portion of their salary/benefits is being impacted or provided by this funding.

## ***Communication to Stakeholders/Parents/Guardians***

Facilities are required to post the notification pertaining to the Early Childhood Enhancement Grant in a highly visible area.



## Application Process

### ***Required Documentation***

All full-day and part-day licensed child care facilities are eligible to apply for the ECEG funding. The submitted application package must contain:

- A complete, signed Application form;
- Funding Agreement signed by the appropriate signing authority(s) of the child care facility.

### ***Contact Information***

Facilities requiring additional information about the ECEG are requested to contact their regional ECDC. The ECEG Application, Terms and Conditions, and FAQ's will be available on the Department's web site <http://www.gov.ns.ca/coms/families/ELCCProgram.html>

### ***Submission of the Application package***

Please ensure the application is complete and submitted in full. All documents must be completed and received by ECDC in the Regional Offices by the applicable date in order for the applications to be considered for grant funding. The Child Care Facility must create a photocopy of the application and supporting documentation for their records.

Submitted application packages are to be addressed to the attention of the ***'Early Childhood Enhancement Grant Application'*** and either mailed, faxed or dropped off to the Child Care Facility's ECDC in the Regional Office.

***Note: Faxed applications will be accepted; however, a signed original must follow and be on file before any funding will be distributed.***

## Grant Application Review Process

### ***Applications Reviewed for Eligibility and Completeness***

Once the application package has been received by the region, it will be reviewed to confirm if the child care facility meets the basic eligibility requirements for the grant and to confirm the application package is complete. An application must be complete in order to be considered.

### ***Notification of Approved Applications***

The Department will process the application and determine the annual grant funding. Facilities will be notified in writing, of their status and funding allocation.

## Disbursement of Funds Process

Once the facility has been approved for grant funding and the signed copy of the Funding Agreement has been received, distribution of the grant funds will begin April 1. Funding will be processed quarterly on the 1<sup>st</sup> business day of each quarter (April, July, October and January).

Grant funding is calculated as an annual amount based on **[Required Educators x Per Diem] X [Annual Operating Days] X [Centre Type]**. Funding will be determined using the data provided in the Early Childhood Enhancement Grant Application. Grant funding will be reconciled every 12 months. The annual funding level for individual applicants will be determined based on the information provided in the Annual Report and will be disbursed equally in four quarterly payments (April, July, October and January).

The Department reserves the right to adjust the Early Childhood Enhancement Grant in circumstances which include but are not limited to the following:

- A facility's enrollment has changed where the information has changed from your last report;
- A facility's licensed capacity has changed;
- The proportion of trained to untrained staff has changed;
- A change in operating days;
- A facility has provided inaccurate or incorrect information.

Newly licensed child care facilities may apply for the Early Childhood Enhancement Grant after three consecutive months of operation from their license date.

## **Recovery of Funds Process**

The submission of the Annual Report will provide the information necessary to calculate the annual funding the facility will receive for the Department's next fiscal year. If a child care facility ceases operation at any point during the contracted period that they are in receipt of grant funding, the Department will perform a review of the grant distributions to recover payments which may have been made during the closure.

Facilities will be required to demonstrate their compliance with the grant distribution criteria. An Annual Report will be provided yearly and facilities are to complete the annual report and submit for continued grant funding.

## **Accountability Process**

The ECEG funding must be used in accordance with these Terms and Conditions and the conditions outlined in the Funding Agreement.

Annual Reports will be used to assess the child care facility's adherence to the grant distribution criteria outlined in the Terms and Conditions overview section. A template will be provided by the Department. Facilities must also provide annual financial statements.

Facilities that do not meet the grant distribution criteria outlined in these Terms and Conditions may be audited and will be required to submit additional information on how they will achieve the grant distribution criteria. These facilities may be required to provide reports on a quarterly basis until such time as they demonstrate they have met the distribution criteria.

Reports will be reviewed, and a recommendation will include the appropriate course of action, including a revised payment schedule, reduction, suspension, or termination of the child care facility's grant funding.

---

## Appendix “A” - Definitions

For purposes of the ECEG, the following definitions apply:

**“Annual Operating Days”** means the number of days the facility will be open for the calendar year. Statutory holidays, New Year’s Day, Good Friday, Easter Monday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day and Boxing Day. Voluntary closures for non statutory holidays are not considered operating days. Maximum operating days 260.

**“Annual Report”** means an annual submission of required information from the licensed child care facilities to the Department of Community Services.

**“Benefits”** means:

- Employer’s cost of the statutory group benefits associated with the increased wages provided as a result of this grant. Statutory group benefits are Employment Insurance (EI) and Canada Pension Plan (CPP);
- Worker’s Compensation;
- Employer’s contribution to paid maternity leave (in excess of EI);
- Dental coverage;
- Extended health care coverage;
- Paid sick days;
- Life Insurance; and
- Retirement/pension plan.

**“Calendar Year”** means January 1<sup>st</sup> to December 31<sup>st</sup>.

**“Capital Expenses or Capital Expenditures”** mean spending for basic assets such as land, fixtures, and machinery which are accounted for as capital under generally accepted accounting principles (GAAP)

**“Child”** means a person less than thirteen years old at any time during that year. In licensed child care there are four program types that serve different groups of children:

- An “Infant” means a child who is 17 months of age or younger;
- “Toddler” means a child who is between the age of 18 months and the age of 35 months inclusive;
- “Preschooler” means a child who is between 36 months and five years of age (who are not enrolled in school) inclusively;
- “School age” means a child who is less than thirteen years of age and is attending school; and
- For purposes of the funding model described in these Terms and Conditions the only distinction is between A) Infants, B) Toddlers & Preschoolers and C) School Age.

**“Department”** means the Department of Community Services.

**“Direct Care”** means working directly with children in a child care facility.

**“Director”** means the chief administrative officer, owner, operator, executive director, manager, and/or administrator who work on site, full or part time, at the facility.

**“ECE Degree”** means completion of a degree in ECE or equivalent field of study at a post-secondary educational institution that is recognized by the Department.

**“ECE Diploma”** means completion of a diploma in ECE or equivalent field of study at a post-secondary educational institution that is recognized by the Department.

**“ECDC”** means Early Childhood Development Consultant.

**“ECE”** means Early Childhood Educators.

**“Eligible Staff”** means all directors and child care educators, full and part time, who are employed by the Facility receiving the ECEG.

**“EQU” or “Equivalent”** means completion of course work and workplace experience as outlined in section 21A in the Day Care Regulations.

**“Enrollment”** means the space has been paid for and filled. A child that is sick / absent / on vacation will still be considered to be enrolled.

**“Facility”** and “child care facility” means a facility which provides full-day or part-day licensed day care.

**“Fiscal year”** means the provincial government business year which runs for the twelve months from April 1<sup>st</sup> of any given year until March 31<sup>st</sup> of the following year.

**“Funding Agreement”** means a legal document which outlines responsibilities and accountability of licensed child care facilities and the Minister of the Department of Community Services.

**“Operator” and “Licensee”** means the individual, partnership, group, company, or Board of Directors in whose name a license to operate a day care facility under the Day Care Act has been issued.

**“Operating Expenses”** means expenses for maintenance of the assets of the facility or the cost of running the day-to-day operations of the facility.

**“Reporting Period”** means the January 1<sup>st</sup> to December 31<sup>st</sup> calendar year.

**“UNT” or “Untrained”** means no formal training in ECE or equivalent field of study

**“Wages”** means money paid to an employee for work done, which is usually calculated on an hourly, daily or piecework basis.

**“Working Days”** refers to week days (Monday to Friday).

**“Work Plan”** refers to the documentation submitted to the Department annually that documents the facility’s annual goals, objectives, accomplishments and informs the development of the facility’s next annual Work Plan.