



Early Childhood Development Services

**NOVA SCOTIA CHILD CARE
STABILIZATION GRANT**

2009/10 TERMS AND CONDITIONS

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Early Childhood Development Services
NOVA SCOTIA CHILD CARE STABILIZATION GRANT

2009/10 TERMS AND CONDITIONS

1. PURPOSE:

The purpose of the Nova Scotia Child Care Stabilization Grant Program is to provide funding support to full day child care facilities to improve the wages, benefits and training of child care staff. This initiative has been made possible by a joint commitment of the Government of Canada and the Government of Nova Scotia to improve and expand early childhood development programs and services. Each licensed full day child care facility in Nova Scotia is eligible to apply and be considered for the Stabilization Grant. The funding support will be made available to licensed child care facilities, which meet the conditions outlined in these *Terms and Conditions* and the annual application process. There are four components to the child care stabilization initiative:

- I. Application Process
- II. Allocation of Funding to Licensed Full Day Child Care Facilities
- III. Allocation of Funding to Staff by the Child Care Facility Operators
- IV. Accountability and Evaluation

2. DEFINITIONS:

For the purposes of the Child Care Stabilization Grant Program:

- 2.1. A “child” means a person twelve years of age or younger.
- 2.2. In licensed child care there are four program types that serve different groups of children:
 - i) “Infant” means a child who is 17 months of age or younger;
 - ii) “Toddler” means a child who is between the age of 18 months and the age of 35 months inclusive,
 - iii) “Preschooler” means a child who is between 36 months and five years of age inclusive,
 - iv) “School age” means a child who is five years of age and less than thirteen years of age.

- 2.3. "Full day child care" means continuous care for the morning and afternoon programs combined with the provision of a noon meal **or** before school care combined with a noon meal and after school care for school-age children.
- 2.4. "Fiscal year" means the provincial government business year which runs for the twelve months from April 1st of any given year until March 31st of the following year.
- 2.5. "Operator" 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 and Regulations has been issued.
- 2.6. "On-site Director" means the chief administrative officer who works full-time on the site of the child care facility.
- 2.7. Eligible staff are: all on-site directors and child care teaching staff (including long term relief staff), full and part time, who work in a child care facility in receipt of the Stabilization Grant.
- 2.8. "Full time" is defined by the child care facility but must be equal to or more than 35 hours per week.
- 2.9. "Part time" means less than 35 hours per week.
- 2.10. "FTE" is defined as the Full time equivalent. I.E. full time equivalent of full time children and/or full time equivalent of staff.
- 2.11. "Trained staff" means those individuals who have completed a training program in early childhood education or its equivalent as per the Day Care Act and Regulations (21A).
- 2.12. "Long term substitute staff" means an employee who has been hired on a long-term basis to replace another full-time staff member who is on maternity, disability, education, or long-term sick leave.
- 2.13. "Short term substitute staff" means an employee who has been employed on a casual or on call basis.
- 2.14. "Wages" mean money paid to an employee for work done, which is usually calculated on an hourly, daily or piecework basis.

2.15. "Benefits" means:

- i. The Employer's costs of the statutory staff benefits associated with the increased wages provided as a result of this Stabilization Grant. Statutory staff benefits are Employment Insurance (EI) and Canada Pension Plan (CPP)
- ii. Worker's Compensation
- iii. Employer contribution to paid maternity leave (in excess of EI)
- iv. Dental coverage
- v. Extended health care coverage
- vi. Paid sick days
- vii. Life Insurance
- viii. Retirement/pension plan
- ix. Training/professional development in the field of Early Childhood Education (ECE) as follows:

- Training and Staff Development includes training programs and courses, seminars, and workshops that are related to:
 - ✓ early childhood curriculum
 - ✓ human growth and development
 - ✓ early childhood development
- Training required to meet licensing requirements under the Day Care Act and Regulations, eg. First Aid Training, Infant CPR, **do not qualify** as a training benefit.
- Child care facilities must contact the Department to verify that courses, seminars and workshops pertaining to ECE qualify under this initiative.
- The cost of the training, workshop or seminar fees can be paid using the Training and Staff Development portion of benefits.
- Costs incurred for travel, accommodations, etc. within the province of Nova Scotia can be paid using this allocation.

2.16. "Bonus" means an extra payment over and above "wages" that is subject to payroll deductions by the employer and is given to an employee as an incentive or for merit.

3. OBJECTIVE

The objective of this funding is to stabilize the child care work force in Nova Scotia by recognizing the important role that trained child care workers play in supporting the healthy development of a child. Low wages and minimal benefits

are acknowledged contributors to the difficulties of attracting and keeping qualified child care facility staff, trained in the field of early childhood education.

Stabilization Grants will be provided to full day child care facilities to improve the wages and benefits of all eligible staff. By contributing funding to full day non-profit and commercial child care facilities, the Child Care Stabilization Grant Program begins to address the issues of recruitment and retention of early childhood educators in Nova Scotia.

4. APPLICATION/UTILIZATION

- 4.1 All Nova Scotia full day child care facilities which have a current valid license are eligible to apply for this funding. An application for the Stabilization Grant will be forwarded to these facilities once each fiscal year. The annual grant will be based on the reported information respecting operating days, number and training levels of staff, licensed capacity, and enrollment.
- 4.2 Any new full day child care facility will be eligible for funding upon the date the license is effective.
- 4.3 Operators which are responsible for more than one licensed facility, must submit a separate application form for each facility. They must also ensure that the name of any one individual staff member does not appear on more than one application form unless the staff member worked at more than one facility. In the latter case, the total of all hours recorded on each application cannot exceed the total hours worked by the staff member.
- 4.4 Accountability/utilization documents for the Stabilization Grant will be sent annually to all child care facilities that received this funding in the previous year. The utilization form will collect information on wages and benefits paid. Through this process child care facilities will demonstrate how the stabilization grant dollars were distributed to staff in the prior year, and whether they were distributed in accordance with the Terms and Conditions.
- 4.5 Adjustments to the annual stabilization grant allocation will be made as a result of the information obtained from the application and utilization documents and review process.

Note: The Department reserves the right to adjust future Stabilization installments or other Department funds which the facility is entitled to receive, in order to collect any overpayment.

- 4.6 If a) a trained staff member has been hired or b) a staff member has become trained as defined in the Day Care Act and Regulations, since the previous application was submitted, documentation demonstrating proof of training must be submitted with the application.

5. DIRECTIVES

5.1 Obligations of Operators

- 5.1.1 Operators must ensure that child care staff are provided with access to a copy of the 2009/10 Terms and Conditions for the Child Care Stabilization Grant Program.

- 5.1.2 Operators will immediately give notice to the Department of Community Services if;

- a) the name of the facility changes
- b) the Operator closes or transfers ownership of any child care facility
- c) there is a change in the licensed capacity
- d) change in operating days.

In the event of changes, the Department will recalculate and amend, as required, the amount of the funding provided under this initiative to the child care facility. Depending on the circumstances, a re-application may be required.

- 5.1.3 An annual application form and an annual utilization form must be completed in order to be eligible to receive the Child Care Stabilization Grant. These forms must be signed by the Director as well as the Owner/Operator or the Chair of the Board of Directors.

- 5.1.4 On receipt of the Child Care Stabilization Grant, the Operator must disburse the funds to staff, at least on a monthly basis, and, in a manner which is perceived to be equitable by all staff.

- 5.1.5 Operators must maintain adequate records which detail the disbursement of the Stabilization Grant for a period of 7 years.

- 5.1.6 On an annual basis, operators will be required to complete a Stabilization Grant Utilization Statement to demonstrate that the grant was spent in accordance with the Terms and Conditions. In situations where the Terms and Conditions have been contravened, the Department reserves the right to adjust the Stabilization Grant accordingly.
- 5.1.7 Operators are required to demonstrate participation in ongoing training/professional development for all child care staff at the facility. See Definitions 2.15.ix.
- 5.1.8 Failure to comply with the Day Care Act and Regulations may result in the Child Care facility not being eligible for the Stabilization Grant.
- 5.1.9 Operators must allow Department staff or any person authorized by the Department to access records, to interview staff or other related parties, and to gather any relevant information affecting the grant and its distribution respecting their child care facilities.
- 5.1.10 The Operator must ensure that child care staff are provided with the Department of Community Services notice of the Stabilization Grant allocation and how it was calculated. This notice **must** be posted on the child care facility's bulletin board or in a highly visible area in the facility.

5.2 Payments:

- 5.2.1 All payments of the Stabilization Grant will be made in regular installments as determined by the Department of Community Services.
- 5.2.2 Payment of the Child Care Stabilization Grant in any given year is contingent on receipt by the Department of Community Services' of the required application and utilization documents and on availability of funds.
- 5.2.3 Payments will be processed following approval of the collected information as per 5.2.2 and will be made in a way which does not jeopardize a child care facility's ability to meet their payroll obligations to staff.
- 5.2.4 The funding allocation to each child care facility will be based on a formula set by government which uses:
 - a) the required number of legislated full time equivalent staff for the child care facility's approved licensed capacity and enrollment per

- age group;
- b) the “trained” or “untrained” designation of full and part-time staff; and,
- c) the child care facility’s annual operating days.

5.2.5 The Department of Community Services will notify child care facilities in writing of their grant allocation and how it was calculated.

5.2.6 At the time of the **annual application and utilization reviews**, government reserves the right to adjust the Stabilization Grant downward in circumstances which include but are not limited to the following:

- a facility’s enrollment is significantly below their licensed capacity thereby reducing their staff complement
- a facility’s licensed capacity has changed
- the proportion of trained to untrained staff has changed
- a facility is open for fewer days than in the previous year
- a facility has provided inaccurate or incorrect information.

5.2.7 At the time of the **annual application**, government may adjust the Stabilization Grant payment upwards in circumstances which include but are not limited to the following:

- an untrained staff becomes trained or is replaced by trained staff
- the staff complement increases due to higher enrollment
- the facility increases the number of operating days.

5.3 Distribution of Stabilization Grant Within Child Care Facilities

All child care facilities in receipt of the Child Care Stabilization Grant must distribute the funding support offered through this initiative in accordance with the following criteria:

5.3.1 Staff eligible to receive wage/bonus increases are: all on-site directors and child care teaching staff (including long term relief staff), full and part time, who work in a child care facility in receipt of the Stabilization Grant.

5.3.2 All eligible staff must experience some increase in wages as a result of a child care facility receiving the Stabilization Grant.

5.3.3 Permanent employees who are on maternity, educational leave (specific to ECE), or other leave are eligible for payment based on the period of their active employment in the facility in the year covered by the

Stabilization Grant.

- 5.3.4 Long term substitute staff are eligible for payment based on the period of their active employment in the facility in the year covered by the Stabilization Grant.
- 5.3.5 Short term substitute staff who are employed for short periods of time may be compensated at the discretion of the Operator.
- 5.3.6 This funding is to be distributed in addition to what would be the employer's regular wage contribution. The employer's contribution to wage rates must therefore not be less than it was when the organization applied for the Stabilization Grant, and must not be used to replace any usual wage increases that staff in the child care facility would expect.
- 5.3.7 A minimum of 80% of the funds allocated to a child care facility **must** be spent on increasing the wages for eligible child care staff working directly with children and for the wages of full time on-site directors. This can be accomplished through a regular bonus or an hourly wage increase for services provided. The remaining 20% of the funds allocated to a child care facility can be spent on wages and/or benefits. Benefits are defined on pages 3 and 4 of this document.
- 5.3.8 These funds are not to be used to enhance the wages and benefits of the following ineligible staff:
- Administrators or Owner/Operators who are not On-site Directors or eligible child care staff
 - Consultants/Specialists
 - Kitchen staff
 - Bookkeepers
 - Support staff, e.g. secretaries, van drivers, administrative assistants
 - Maintenance staff
 - Board members
 - Any other staff deemed to be ineligible by the Department of Community Services.
- 5.3.9 The calculation process for individual staff payments and benefits must be made by the child care facility's administration in a way which is equitable and is based on number of hours actually worked by individual staff.
- 5.3.10 One option is to pay a regular bonus (at least monthly) based on hours worked. The other option is to pay an hourly wage increase. Note that all

wages and bonuses are subject to payroll deductions.

6. ACCOUNTABILITY

- 6.1 The Child Care Stabilization Grant must be used in accordance with these Terms and Conditions.
- 6.2 The Department of Community Services will ensure that a Financial Analyst is available to receive questions and concerns respecting the child care facility's allocation of the Stabilization Grant funding. The concerns might be from child care facility management or teaching staff, Operators/Board members, or others.

Concerns must:

- be submitted in writing
 - be addressed to The Director of Early Childhood Development Services
 - give permission for Department staff to discuss the case with the employer.
- 6.3 Where preliminary concerns indicate that wrongdoing might be involved, departmental Financial Analysts should be immediately notified and it shall be determined whether any payments to the organization are pending and whether the payment will be withheld until the concerns are resolved.
- 6.4 Where an operator is losing the license to operate due to non-compliance with the Day Care Act and Regulations or is closing a child care facility, the Department shall:
- verify that the closure has occurred or that the operator plans to close one or more facilities;
 - notify the operator in writing that the facility is no longer entitled to access the Child Care Stabilization Grant and that they are accountable for any unspent surplus balances;
 - instruct the operator to return the surplus balance to the Department of Community Services;
 - stop the issue of any payments in process to the child care facility;
 - if there is a problem recovering the surplus, the Department may take action as deemed appropriate including but not

limited to starting collection action or initiating an audit of the child care facility.

- 6.5 If ownership of the child care operation changes and the new owners wish to continue to receive the Stabilization Grant, they must notify Early Childhood Development Services of the change in ownership and forward all relevant information as required by the Department.

If the new owner of a child care facility does not wish to be a part of the Stabilization Grant program all unspent funds must be returned to the Department of Community Services.

7. MONITORING

- 7.1 The Director of Early Childhood Development Services is responsible for the administration of the Nova Scotia Child Care Stabilization Grant Program. The Financial Analyst is responsible for monitoring a facility's compliance with the Terms and Conditions. The Early Childhood Development Officer's, are responsible for inspecting child care programs, making recommendations regarding licensing and ensuring the Financial Analyst is aware of facilities whose licenses have been cancelled, suspended or not renewed.
- 7.2 The Department of Community Services will verify the eligibility of applicants for the Child Care Stabilization Grant Program annually.
- 7.3 **Government reserves the right to withhold and discontinue funding where facilities do not meet the requirements of this grant program.**

(These Terms and Conditions are subject to change on an annual basis.)