

Rate Incentive Funding

Program Eligibility and Funding Conditions

Program goals

In 2018, the Ministry of Education introduced the child care expansion plan. This funding is intended to support licensed child care programs, including expanding access to affordable licensed child care spaces and reducing fee subsidy waitlists to help families access quality child care. To meet the priority of expanding access to affordable licensed child care spaces, The Regional Municipality of York (York Region) introduced the Rate Incentive Program. This funding is historical and not available for new operators.

Regional Priorities

The Rate Incentive Program supports affordability for all parents/caregivers. Operators are required to use Rate Incentive Funding to either reduce or mitigate child care fee increases or reduce child care rates that parents/caregivers are responsible for. Parents/caregivers may not recognize the reduction in fees if the rate incentive was applied to lowering or eliminating a rate increase.

Eligibility requirements

Child care programs must be:

- Centre-based child care licensed under the [Child Care and Early Years Act, 2014](#)
- A non-profit or profit centre-based child care
- Located in York Region; and
- Hold a Child Care Services Agreement with The Regional Municipality of York, including a Fee Subsidy Schedule

Funding conditions

1. Daily Rate Incentive must be applied to parent fees
2. Rate Incentives must be clearly identified on the Child Care Rates collected by the Region and provided to parents
3. Operators consent to be identified by the Region as being in receipt of Rate Incentive Funding
4. Operators will submit the Rate Incentive Reconciliation Statement to the Region within the requested period identified on the reconciliation statement

5. Operators will be required to submit in-year funding allocation status updates, when requested, to ensure allocations will be fully utilized in accordance with guidelines
6. Operators will submit documentation in the required format to the Region within the time period specified
7. The Region shall pay Rate Incentive Funding to the Operator in a monthly amount not to exceed the total budget for the budget period set out in Schedule D
8. Rate Incentive Funding not utilized in accordance with the funding conditions and/or in accordance with the service agreement between the Operator and The Regional Municipality of York will be returned to the Region
9. All funding, including Fee Subsidy, Special Purpose, General Operating, Wage Enhancement, Rate Incentives, Pay Equity Union Settlement, Special Needs Resourcing and Enhanced Funding, will be added together to determine the type of audit required
10. Operators cannot limit the amount of funding approval in order to stay below audit requirements
11. Operators must meet all contractual and funding requirements

Audit Requirements

All child care operators receiving Regional funding are required to submit financial statements annually, within 120 days of the operator's year end.

Operators in receipt of Regional funding of \$249,999 or less must provide:

- Funding Declaration Form
- Board of Directors' Reviewed or Corporation Officers Reviewed Financial Statement

Operators in receipt of Regional funding of \$250,000 or more must provide:

- Funding Declaration Form
- Board of Directors' Reviewed or Corporation Officers' Reviewed Financial Statement with a completed Review Engagement

Operators in receipt of Regional funding of \$500,000 or more must provide:

- Funding Declaration Form
- Audited Financial Statement