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# Alberta child care affordability grant funding guide

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**Alberta Child Care Affordability Grant Funding Guide | Children’s Services (v1.0)  
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# Contents

<b>Overview .....</b>	<b>4</b>
• Alberta-Canada Early Learning and Child Care Agreement	4
• Affordability Grant Agreement	4
• Roles and Responsibilities	5
<b>Eligibility .....</b>	<b>6</b>
• Eligible Programs and Spaces	6
• Ineligible Programs and Spaces	6
<b>Rates .....</b>	<b>7</b>
• Overnight Care	8
• Preschool	8
• Attendance / Illness / Vacation	9
<b>How to Receive Funding.....</b>	<b>10</b>
• Step 1: Determine Eligibility	10
• Step 2: Create an Account on the Child Care Licensing Portal	10
• Step 3: Complete the Grant Agreement	11
• Completing Schedule B	11
• Step 4: Submit Monthly Claims	12
• Program Adjustment Form	12
<b>Affordability Grant Agreement Requirements .....</b>	<b>13</b>
• Reduced Parent Fees	13
• Definition of Parent Fees	13
• Use of Funds	13
• Maximum Three Per Cent Annual Fee Increase in 2022	13
• Funding in Lieu of Three Per Cent Annual Fee Increase in 2023	13
• Financial Reporting	14
• Cancellation of Agreement	15
• Child Care Program Withdrawing from Agreement	15
<b>Contact Information .....</b>	<b>17</b>

## Overview

This document is a reference guide for the Affordability Grant provided under the Alberta-Canada Early Learning and Child Care Agreement. It outlines the eligibility, rates, and process for accessing the Affordability Grant for licensed daycares, out-of-school care programs, preschools, family day home agencies, and group family care in Alberta.

The Government of Alberta allocates funding to eligible programs that have signed an Affordability Grant Agreement. The responsibilities and benefits outlined in this funding guide apply to licensed child care programs and/or spaces that are eligible for Affordability Grant funding.

### Alberta-Canada Early Learning and Child Care Agreement

In November 2021, the Governments of Alberta and Canada signed an agreement that provides \$3.8 billion over five years to reduce parent fees to an average of \$10 per day by 2025-26 and create new spaces to help more families access child care. The Agreement also supports a trained and qualified early childhood educator workforce.

The Alberta-Canada Early Learning and Child Care Agreement supports families with children from birth to kindergarten age by:

- Reducing licensed child care fees by an average of 50 per cent for all families in early 2022; and
- Lowering licensed child care fees to an average of \$10/day per child by 2026.

Parent fees are reduced in two ways:

- Affordability Grants directly offset parent fees charged by licensed child care providers; and
- Targeted supports to eligible families through the Child Care Subsidy Program rates and thresholds.

This document will be modified when updates are required, with the most recent version listed on the open government portal at: <https://open.alberta.ca/publications/xxxxx>.

### Affordability Grant Agreement

As of January 2022, the Government of Alberta implemented the Affordability Grant to reduce parent fees for eligible children by an average of 50 per cent. Eligible child care programs were given the choice to sign an Affordability Grant Agreement.

The Affordability Grant is an operating grant for eligible programs that provides fixed monthly funding that may be used to help cover the day-to-day costs of running a licensed child care program. The monthly grant amount each program receives is calculated by totaling the number of enrolled children based on a fixed rate per age grouping, the number of hours each child is registered to attend, and program type.

Licensed programs participating in the Affordability Grant must directly reduce base parent fees in proportion to the grant amount they receive as per their signed Affordability Grant Agreement and Schedule A, which forms part of the agreement.

Amending agreements to the Affordability Grant may occur with written notification from Children's Services to participating programs.

## Roles and Responsibilities

Children's Services and licensed child care operators share responsibility for the Affordability Grant. Specific roles and responsibilities for the Affordability Grant are as follows:

- **Licensed Child Care Programs** are responsible for signing and submitting their Affordability Grant Agreement and must agree to follow the terms of the agreement, which includes directly applying grant rates to the reduction of child care fees for parents.
- **Children's Services – Child Care Branch** is responsible for setting and maintaining requirements for the Affordability Grant and allocating funding to eligible programs that have signed an agreement. The Claims Unit is responsible for processing monthly payment claims and funding adjustments for the Affordability Grant, as well as child care subsidy and other grant payments.
- **Children's Services – Regional Community Program Delivery Branch (Child Care Licensing)** is responsible for licensing, inspecting and monitoring facility-based child care programs and family day home agencies. Licensing staff will verify a program's eligibility for the Affordability Grant and can assist operators with applying the grant requirements for their programs.

## Eligibility

### Eligible Programs and Spaces

The Affordability Grant is available to eligible licensed child care programs and spaces in Alberta, including facility-based programs and family day home agencies that provide care to infants, toddlers and preschool aged children. This includes children who attend kindergarten part-time (fewer than five full days per week) and require child care during regular school hours. Provincially licensed child care programs located on federal military bases or First Nations land are also eligible.

Programs licensed after January 1, 2022 must be approved by Child Care Licensing staff, prior to being eligible to receive this funding under the terms of the Alberta-Canada Early Learning and Child Care Agreement.

**Licence holders planning to open new programs or spaces, or to vary their existing licence should contact their local Child Care Licensing staff to determine whether their program will be eligible to receive the Affordability Grant.**

### Ineligible Programs and Spaces

The terms and conditions of the Affordability Grant Agreement include limitations. Programs and/or spaces not eligible for the Affordability Grant are those that:

- Are not approved for the Affordability Grant by Children's Services,
- Do not charge parent fees,
- Provide spaces that are for out-of-school care to children attending kindergarten full-time (five full days per week) to grade six only,
- Provide care to children who only require child care for fewer than 50 hours per month (this does not apply to preschool programs), or
- Spaces where parent fees are paid and fully covered by a third party.

## Rates

The current Affordability Grant rates are intended to reduce child care fees by an average of 50 per cent. The rates were determined using average program fees across the province, per space, per month, based on the type of child care and the age group. Grant rates are based on the age of the child as of the first day of each calendar month.

Rates are allocated to programs based on the number of hours each child is registered to attend per month:

- 100+ hours per month
- 50 to 99 hours per month

Children registered for fewer than 50 hours per month are not eligible for the Affordability Grant (this does not apply to preschool programs).

**TABLE 1: AFFORDABILITY GRANT RATES FOR LICENSED DAYCARE, FAMILY DAY HOMES, AND OUT-OF-SCHOOL CARE**

Grant rates per month

Program Type	Registered Hours	Infants (less than 12 months)	Infants (12 to less than 19 months)	19 months to less than 3 years	3 years to less than 4 years	4 years to not yet attending kindergarten	Kindergarten-age requiring child care during school hours
Daycare	50-99 hours	\$317.50	\$317.50	\$255.00	\$225.00	\$225.00	\$225.00
	100+ hours	\$635.00	\$635.00	\$510.00	\$450.00	\$450.00	\$450.00
Family Day Home Agency & Group Family Care	50-99 hours	\$175.00	\$175.00	\$162.50	\$150.00	\$150.00	\$150.00
	100+ hours	\$350.00	\$350.00	\$325.00	\$300.00	\$300.00	\$300.00
Out-of-School Care	50-99 hours						\$225.00
	100+ hours						\$450.00

## Overnight Care

Programs licensed to provide overnight child care will receive a grant rate for each child enrolled in the overnight accommodation. Overnight care is considered the provision of child care spanning the hours between 12:01 a.m. and 5:00 a.m.

If a child is enrolled in overnight care and attends child care spanning the hours between 12:01 a.m. and 5:00 a.m. at least once in that month, all of the hours they attend – during the day, evening or overnight – contribute to their total registered hours for the overnight Affordability Grant.

**TABLE 2: AFFORDABILITY GRANT RATES FOR OVERNIGHT CARE**

Grant rates per month

Program Type	Registered Hours	Infants (less than 12 months)	Infants (12 to less than 19 months)	19 months to less than 3 years	3 years to less than 4 years	4 years to not yet attending kindergarten	Kindergarten-age requiring child care during school hours
Daycare	50-99 hours	\$476.25	\$476.25	\$382.50	\$337.50	\$337.50	\$337.50
	100+ hours	\$952.50	\$952.50	\$765.00	\$675.00	\$675.00	\$675.00
Family Day Home Agency & Group Family Care	50-99 hours	\$262.50	\$262.50	\$243.75	\$225.00	\$225.00	\$225.00
	100+ hours	\$525.00	\$525.00	\$487.50	\$450.00	\$450.00	\$450.00

## Preschool

The number of registered hours does not apply to the preschool Affordability Grant, as preschools are licensed as part-time programs offering no more than 4 hours per day and typically run 2 to 3 days per week. Preschools will receive the Affordability Grant at a flat rate, regardless of registered hours.

**TABLE 3: AFFORDABILITY GRANT RATES FOR LICENSED PRESCHOOLS**

Grant rates per month

Program Type	Registered to Attend	19 months to less than 3 years	3 years to not yet attending kindergarten	Kindergarten-age
Preschool	1 to 5 days a week	\$75	\$75	\$75



### **Attendance / Illness / Vacation**

The Affordability Grant is paid based on a child's age and registered hours. A temporary absence of a child due to illness or vacation will not affect the grant amount the program receives for that child, providing the parent is charged their registered fee.

In situations where the child is registered mid-month and the program charges part time fees (50 to 99 hours) for the first month, the part time rate of the Affordability Grant would apply.

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## How to Receive Funding

Eligible licensed child care programs (not parents) must access the Affordability Grant Agreement through the online Child Care Licensing Portal to participate in the Affordability Grant. See your licensing officer (details below) to electronically sign the Affordability Grant Agreement via the portal.

The Affordability Grant is paid to eligible licensed child care programs that sign the Affordability Grant Agreement. Programs that receive the monthly grants are required to reduce monthly parent fees proportionately to the amount of the grant received, based on the registered hours and age group of each child for their program type.

### Step 1: Determine Eligibility

Licence holders or prospective licence holders planning to open or expand a child care program must first contact Child Care Licensing staff to determine whether their program and/or any additional spaces will be eligible for the Affordability Grant. Licensing staff will be able to discuss other necessary steps and considerations for opening or expanding a licensed child care program.

You can find contact information for your local Child Care Licensing office at <https://www.alberta.ca/childrens-services-offices.aspx#jumplinks-1>.

### Step 2: Create an Account on the Child Care Licensing Portal

To sign the online Grant Agreement, a licence holder representative who has signing authority must first create an account in the online Child Care Licensing Portal: <https://childcareaccount.alberta.ca>.

Tips for using the Child Care Licensing Portal:

- Use Google Chrome or Mozilla Firefox browsers
- Only one person per program should request access
- If the licence holder owns multiple programs, all programs will be attached to the same user

After entering the information to create an account, the licence holder representative will receive an email from “donotreply@gov.ab.ca”. Open the email and click “Link to verify your email”. **This link is only valid for five minutes.**

The licence holder representative will complete the program information in the Child Care Licensing Portal, accept the Licensing Portal User Agreement, and click “Request Access”. The respective ministry staff will review the information to verify the account user. This step might take up to 10 business days.

### **Step 3: Complete the Grant Agreement**

Once the information entered in the online account is verified by Children's Services, the Affordability Grant Agreement will be loaded to the main page of the Child Care Licensing Portal. The licence holder representative will receive an email confirmation notifying them the agreement is ready to be signed.

The licence holder must review and understand each section of the agreement and ensure full compliance to all requirements of the Affordability Grant prior to signing. After accepting all terms and conditions and filling in all required information, including the Schedule A, the licence holder representative will digitally sign the Affordability Grant Agreement and will be able to print a copy for their records.

Each child care program location and type has its own separate agreement that must be signed, which can be done through one online Child Care Licensing Portal account.

#### **Completing Schedule A**

Programs will fill in the Schedule A template with their base rates for each age group for 100+ hours of care and 50 to 99 hours of care, as well as overnight care, if applicable.

Programs charging daily rates will need to convert the daily rate to a monthly rate by multiplying the daily rate by the number of days the program operates (average 21.5 days per month).

Programs charging hourly rates will calculate the highest number of hours used for children attending part-time (50 to 99 hours) to enter the fee in Schedule A.

If fees are charged per room and not a specific age category, calculate the highest rate charged per age category (regardless of room) and report that number in Schedule A.

The online grant template in Schedule A will automatically calculate the remaining parent fees for each category after subtracting the Affordability Grant rate from the program's base fee.

#### **Completing Schedule A for Family Day Home Agencies**

If a family day home educator/provider rate is different from the licensed family day home agency's rate, the agency should report the maximum rate charged per age category based on the educator/provider with the highest fee. Agencies can also enter the fees on Schedule A using the rates the agency would typically enter on the monthly online claim system.

#### **Completing Schedule B**

Programs will fill in the Declaration for the Cost Increase Replacement Funding under Schedule B, if applicable. Only programs that did not increase child care costs for the 2023 calendar year or any portion thereof are eligible.

Eligible programs shall receive Cost Increase Replacement Funding equal to 3% of the Child Care Costs associated with each age/hours Program category identified in Schedule A multiplied by the number of eligible Child Care Spaces the program has in the applicable category.

## Step 4: Submit Monthly Claims

After the Affordability Grant Agreement has been signed and submitted, participating child care programs will need to submit an online monthly claim through the online Child Care Claims Payment (C3P) system. Operators that do not yet have access to the C3P system must apply online: [alberta.ca/online-child-care-claims-system.aspx](https://alberta.ca/online-child-care-claims-system.aspx).

For more information about the claims process, please refer to the Online Child Care Claims User Guide found online at <https://www.alberta.ca/assets/documents/cs-online-child-care-claims-system-user-guide.pdf>.

Programs must enter information starting the first of each month for the prior month. Claims should be submitted monthly.

### Reporting Subsidized Children

Each month, the program will enter the following information on each subsidized child:

- For Child Care Subsidy: attended hours and parent fee.
- For Affordability Grant: whether the child is registered for full-time (100+ hours per month) or part-time (50 to 99 hours per month) child care to be reported directly below the attended hours claimed.

### Reporting Children Not Approved (or waiting to be Approved) for Child Care Subsidy

Children who do not have or are waiting for an approval for Child Care Subsidy will not be individually listed in the operator's C3P portal monthly claim form. To receive the Affordability Grant funding for these children, you will need to report them in the statistics form on the last page of your monthly claim by including the total number of children in this category attending by age group based on registration data.

### Receiving Payment

Programs will receive payment, within 5 to 10 business days of submitting their claims. Programs will be notified directly if there will be a delay beyond 10 days. Once the monthly claim has been processed, programs can access a payment summary report through C3P.

Programs that have not been set up to receive a payment from the Alberta government need to complete the online form: <https://formsmgmt.gov.ab.ca/Public/CS12601.xdp> with the required information to receive a direct deposit and submit it to the Child Care Claims Unit at [cs.childcareclaims@gov.ab.ca](mailto:cs.childcareclaims@gov.ab.ca). The vendor set-up can take up to three weeks, so programs are encouraged to submit this form as soon as possible.

For information on how to submit your claims, refer to the Child Care Claims System Manual available at: [alberta.ca/online-child-care-claims-system.aspx](https://alberta.ca/online-child-care-claims-system.aspx).

### Program Adjustment Form

After a payment is deposited, the program must request or report all funding adjustments due to errors and omissions using the Program Funding Adjustment form at [alberta.ca/online-child-care-claims-system.aspx](https://alberta.ca/online-child-care-claims-system.aspx). Overpayments must also be reported using this form. This form must be sent to the Child Care Claims Unit as instructed on the form. It is recommended that programs submit adjustments as soon as possible as adjustments can take up to six weeks to process.

## Affordability Grant Agreement Requirements

The program must comply with all the terms set out in the Affordability Grant Agreement that was signed between the grant recipient and the Minister.

### Reduced Parent Fees

The Affordability Grant must be used to reduce parent fees proportionate to the funding provided in accordance with the Affordability Grant Agreement. The Affordability Grant funding is to be used to offset program fees on behalf of parents, dollar for dollar, as per tables 1 to 3. For example, if a daycare program receives \$635 for an infant attending full-time, the entire \$635 must be applied to reduce the parent's fees.

Programs must commit to offset parent fees proportionately to amount of the grant beginning the date of their agreement.

### Definition of Parent Fees

Monthly parent fee – the base monthly fee (or equivalent, if charged for periods longer than one month) payable per child by parents/families towards the child care program after reduction from Affordability Funding but excluding child care subsidy.

### Use of Funds

The funding from the Affordability Grant is to be used to offset program fees on behalf of parents. The revenue this generates can be used for any expenses that the child care program normally covers with the revenue from the parent fees, such as ongoing operational costs including wages, toys and equipment, utilities, food, rent/mortgage payments and other related expenditures. The grant may not be used for investment purposes, capital expenditures, or to pay dividends to shareholders.

### Maximum Three Per Cent Annual Fee Increase in 2022

Programs that receive the Affordability Grant were required to limit parent fee increases to a maximum of three per cent between January 2022 and December 2022. The three per cent limit applied to the parent fees *before* the Affordability Grant (and Child Care Subsidy, where applicable) was deducted.

### Funding in Lieu of Three Per Cent Annual Fee Increase in 2023

Programs that have signed an Amending Agreement to the Affordability Grant to accept funding being provided by Children's Services in lieu of a three per cent increase to the parent portion of child care fees, cannot increase their fees further in January to March 2023 under the 2022/23 grant agreement.

The 2023/24 grant agreement requires operators to ensure they do not increase their parent fees, with government covering the three per cent fee increase through additional funding as per their signed Affordability Grant Agreement and Schedule B.

## Process to Report Monthly Fee Increases

Child care programs with a signed Agreement in 2022 are responsible to report any changes to the child care fees included in the Schedule A of their Affordability Grant Agreement that took place in 2022, or 2023 if they did not sign the Amending Agreement to keep fees stable.

## Financial Reporting

As part of government's accountability to Albertans for the distribution of public funds, there are requirements for financial reporting to ensure that funds are being spent for the intended purpose.

As per the Affordability Grant Agreement:

- If a program's revenue from the Affordability Grant is lower than \$250,000 per year, the program is required to submit a signed financial report detailing the actual amount of funding spent during the term.
- If a program's revenue from the Affordability Grant is between \$250,000 and \$500,000 per year, the program is required to submit a signed review engagement report that shows revenue from the Affordability Grant and expenses.
- If a program's revenue from the Affordability Grant is greater than \$500,000 per year, the program is required to submit a signed audited financial statement showing the income and expenditures (completed by an accountant according to designated principles).

These are standardized clauses used in current Government of Alberta grant agreements whereby the recipient is in receipt of public funding. The purpose of the audited financial requirement is an accountability measure to Alberta taxpayers to validate public funds have been appropriately expended. Programs are responsible for the costs associated with providing the required financial records and documentation.

The audited financial statements required by providers receiving more than \$500,000 must be completed by a CPA external and independent from the program using the Canadian Generally Accepted Accounting Principles (GAAP).

Some organizations may prepare financial statements as a routine course of operations, which may be used. Recognizing that not all organizations have the same fiscal year end, the Ministry will be working with grant holders to create flexibility in the reporting timelines.

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## **Cancellation of Agreement**

The child care program must comply with all the terms set out in the Grant Agreement or amending agreement that was signed between the grant recipient and the Minister. Failure to comply with the terms set out in the agreement may result in cancellation of the agreement.

The ministry may terminate the Grant Agreement with a 30-day written notice. Grant Agreements will be terminated immediately in the event the Grant Recipient's licence is suspended, lapses or is otherwise terminated.

## **Child Care Program Withdrawing from Agreement**

In accordance with Clause 13 "Termination of the Affordability Grant Agreement", child care programs may withdraw from receiving the Affordability Grant by a written Grant Agreement termination notice from an authorized licence holder representative sent to [cs.ccaffordgrant@gov.ab.ca](mailto:cs.ccaffordgrant@gov.ab.ca).

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## Other Alberta Child Care Grants

This funding guide only applies to the Affordability Grant. The Government of Alberta also provides a number of other grants to child care programs, families and early childhood educators that are separate from the Affordability Grant.

- For information about the Alberta Child Care Subsidy Program, please visit [alberta.ca/child-care-subsidy.aspx](https://alberta.ca/child-care-subsidy.aspx).
- For information about the Alberta Child Care Grant Funding Program (wage top-ups, professional development and release time funding), please visit [alberta.ca/alberta-child-care-grant-funding-program.aspx](https://alberta.ca/alberta-child-care-grant-funding-program.aspx).
- Please contact local Child Care Licensing staff for information about the Infant Care Incentive, which is available to eligible programs providing child care to children under 19 months.

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## Contact Information

Please contact the appropriate area for any questions or issues relating to funding, licensing, subsidy, or for technical support.

**Affordability Grant funding** – contact the Alberta Child Care Grant Funding Program at [cs.caffordgrant@gov.ab.ca](mailto:cs.caffordgrant@gov.ab.ca).

**Affordability Grant application technical support** – contact the Child Care Licensing Portal Support Team at [cs.licensingssystemsupport@gov.ab.ca](mailto:cs.licensingssystemsupport@gov.ab.ca).

**Affordability Grant claims/payments** – contact the Alberta Child Care Claims Unit at 1-855-638-6121 or email [cs.childcareclaims@gov.ab.ca](mailto:cs.childcareclaims@gov.ab.ca).

**Affordability Grant Financial reporting** – contact the Alberta Child Care Grant Funding Program at [cs.affordgrantreporting@gov.ab.ca](mailto:cs.affordgrantreporting@gov.ab.ca)

**Child Care Licensing** – contact your local Child Care Licensing office, or call Child Care Connect at 1-844-644-5165.

**Child Care Subsidy** – contact the Alberta Supports Contact Centre at 1-877-644-9992 or email [cs.childsubsidy@gov.ab.ca](mailto:cs.childsubsidy@gov.ab.ca).

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