

Repayment Agreements In Child Care Facilities

This information is being provided to assist licensees in the development of a policy for their facility regarding repayment agreements with the parent/guardian of children enrolled in their facility.

Legislation

Section 19 of the *Community Care and Assisted Living Act* states:

“If a person prepays any part of the cost of services provided by a class of community care facility designated by the Lieutenant Governor in Council, the licensee or manager of the facility must, at the time of prepayment, deliver to the person a written statement setting out the terms and conditions of when a refund of all or any of the prepayment will be made.”

Background

The intent of this section of the *Community Care and Assisted Living Act* is to ensure that licensed child care facilities have sound business practices and established financial policies where all persons are treated equitably. This requirement aims to help build and establish a trusting business-like relationship between the parent/guardian and the licensee/caregiver.

Guidelines

When parents/guardians are required by a licensee to pay for child care services prior to having received those services, the licensee must, at the time of payment, provide in writing, the terms and conditions under which any refunds will be made to the parent/guardian. Therefore, if a parent/guardian is required to make payment for their child care services at the beginning of the month for the child care services which be provided during that month, they must be advised in writing by the licensee under what circumstances they would receive a refund for any services not received.

There is no legislation which dictates the terms and conditions for which a refund will be made; this is left solely up to the licensee. It is recognized that there are situations that are likely to arise in any child care setting, and a licensee may want to consider the following as part of the terms and conditions of their contact:

- The amount of notice that a parent/guardian must provide to the licensee if he/she wishes to withdraw his/her child from the facility.
- The amount of notice a licensee must provide to the parent/guardian if he/she is unable to continue to provide care to a child.
- If a child is sick and unable to attend the facility.
- If the caregiver is sick and unable to provide care to a child.
- If the facility is closed due to a statutory holiday, or the licensee/caregiver wishes to take vacation time.
- If the child does not attend that facility because the parent/guardian is on vacation and/or not working.

The existence of a clear, concisely written policy statement for the facility, that is understood and agreed upon by all parents/guardians at the time their child is enrolled in the facility, will help to alleviate and prevent conflict and misunderstanding around financial issues.

It is suggested that a written policy as per Section 19 of the *Community Care and Assisted Living Act* be included as part of the facility's "Parent Contract". This contract should be signed by both the licensee and the parent/guardian at the time the child is enrolled in the facility. A signed copy of the contact should be given to the parent/guardian for their reference.

Helpful Resources

- *INFORM Guide: An Administration Manual for Non-Profit Child Care in BC, Child Care INFORM*, a program of Westcoast Child Care Resource Centre, 2nd edition, 1999
- *Policies and Procedures for Child Care Programs – Tough and Sensitive Issues*, Child Care INFORM, a program of Westcoast Child Care Resource Centre, 1997
- Child Care Resource and Referral Program
- Westcoast Child Care Resource Centre – www.wstcoast.org

If you have any questions not addressed here regarding Section 19 of the *Community Care and Assisted Living Act*, call your local Licensing Officer.

Website: www.fraserhealth.ca/childcare