

Repayment Agreements In Child Care Facilities

This information is being provided to assist licensees in the development of a repayment agreement.

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 notworking.

The existence of a clear, concisely written 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.

As per section 56.1(2) CCLR, you must maintain a current record of each person to whom the written statement is delivered.