



<i>Act/Regulations</i> <i>Social Assistance Act Section 1(j)</i> <i>Social Assistance Act Reg. 1(3)(c), 20(1)</i>	Program	Child Care Subsidy Program	
	Subject	Eligibility	Policy # 1.1
Effective Date: July 7, 2011		Authorized by:	
Revised Date: June 15, 2021		Deputy Minister David Keedwell	

1.0 PURPOSE

- 1.1 To define the eligibility requirements for the Child Care Subsidy Program (CCSP) and to identify an applicant’s eligibility and support needs in relation to CCSP.

2.0 DEFINITIONS

- 2.1 **Applicant:** a person who applies for, on whose behalf an application is made, or is in receipt of childcare subsidy.
- 2.2 **Assets:** includes but is not limited to cash on hand; cash in a bank, trust company, credit union or cooperative or other similar financial institution; the realizable value of stocks, bonds, debentures, mutual funds, investment certificates, registered education savings plans, registered retirement savings plans, registered retirement income funds, and other similar investments; retirement allowances, severance pay, bonuses, pensions and other similar payments; and the cash surrender value of insurance policies, savings receipts, liens, mortgages, bequests and settlements.
- 2.3 **Child Care Subsidy Coordinator:** a staff member responsible to provide intake assessment and service for CCSP.
- 2.4 **Co-applicant:** the spouse of an applicant, and includes a person who, although not married to the applicant, lives with the applicant as if they were married.
- 2.5 **Parent:** a person who is a birth or adoptive parent with custody or guardianship rights to a child; who has stood in loco parentis to a child for a period of at least one year and has a continuing relationship with the child; a legal guardian of a child; or a person with whom a child resides and is responsible for the care of a child.

3.0 POLICY STATEMENT

- 3.1 An applicant is eligible for CCSP if the applicant:
- has a demonstrated financial need and a reason for childcare. A reason for childcare may include, but is not limited to:

- employment, training, or education;
 - medical needs of a parent;
 - diagnosed special needs of a child;
 - a child in need of protection;
 - a child in the Alternative Care program;
 - a child in the Enhanced Early Learning Childcare program.
- is a resident of Prince Edward Island;
 - is lawfully entitled to be in or to remain in Canada with a permanent residency status;
 - is a parent to a child age 12 years or younger;
 - has combined assets less than \$100,000 as described in procedure section 4.5.
- 3.2 An applicant who is co-habiting as a couple must make a joint application for CCSP, regardless of gender, sexual orientation, length and/or stability of the relationship.
- 3.3 An applicant under the age of 18 is eligible to apply for CCSP if they meet the eligibility criteria. Where an applicant is under the age of 18 and living in the home of their parents, the applicant's financial need will be determined based on the applicant's income only.
- 3.4 Where an applicant is receiving CCSP while completing education or training, scheduled breaks in the program will be considered part of the education or training period, provided the applicant intends to return to the program after the scheduled break.
- 3.5 An applicant in receipt of Social Assistance (SA) or Assured Income (AI) benefits is eligible for full subsidy. Where the applicant's childcare costs are above the maximum per diem rate, the applicant is responsible for the additional costs.
- 3.6 CCSP requires verification of eligibility and income status of applicants upon application and at minimum once every 12 months or when a change in circumstances occurs.

4.0 PROCEDURAL STATEMENTS

- 4.1 The Child Care Subsidy Coordinator will complete the *Child Care Subsidy Support Needs Assessment* with the applicant to determine eligibility for CCSP.
- 4.2 Applicants must be informed that personal information is collected under Section 31(c) of Prince Edward Island's *Freedom of Information and Protection of Privacy Act*, and is used for the purpose of administrating CCSP.
- 4.3 Applicants are responsible to advise the Department of any change that may affect their eligibility and to provide all requested documentation, including verification of financial need, at the time of application and review to ensure the department can accurately assess eligibility for CCSP.

- 4.4 Applicants are responsible to secure childcare arrangements when receiving CCSP.
- 4.5 The Child Care Subsidy Coordinator will verify the assets owned by the applicant and co-applicant. Where the applicant and co-applicant have combined assets that exceed \$100,000 in value, the applicant is expected to liquidate assets to meet the cost of childcare. For the purpose of this calculation, the following items will not be considered when calculating assets:
- Primary residence of the applicant;
 - Primary vehicles of the applicant and co-applicant;
 - Life Insurance Policies with a cash surrender value of less than \$5,000;
 - Registered Education Savings Plan (RESP);
 - Registered Disability Savings Plan (RDSP);
 - A prepaid funeral to a value of \$5,000.
- 4.6 The Child Care Subsidy Coordinator will calculate an applicant's income eligibility. Income for the purposes of determining eligibility for CCSP is based on Line 23600 subtracted by any amounts reported on Line 43500 (tax related deductions), 30800 (CPP related tax deductions), and 31200 (EI related tax deductions) from the applicant's Canada Revenue Agency (CRA) Notice of Assessment (NOA) and general tax forms.
- $$\text{Line 236(00)} - \text{Line 435(00)} - \text{Line 308(00)} - 312(00) = \text{Annual Income}$$
- 4.7 The Child Care Subsidy Coordinator will assess the combined income of the applicant and co-applicant against the *Income Threshold Table* (attached) to determine if a financial need exists for CCSP.
- 4.8 Where the applicant is eligible for CCSP, the Child Care Subsidy Coordinator will complete the *Applicant's Agreement* with the applicant. Where there is a co-applicant, signatures are required from both applicants.
- 4.9 The Child Care Subsidy Coordinator is responsible to advise the applicant of eligibility, start date of service, and parent-share in writing. The start date of service may be dated the initial date of contact with the department.
- 4.10 Where the applicant is attached to a Child Care Centre, the Child Care Subsidy Coordinator is responsible to advise the Child Care Centre of the applicant's eligibility and prepare three *Child Care Centre Agreements* to be forwarded to the Child Care Centre for signature.
- 4.11 The Child Care Centre is responsible to sign all three copies and to witness the applicant's signatures. The childcare centre and applicant will keep a copy, and the final

copy will be returned to the Child Care Subsidy Coordinator.

- 4.12 When there is a change in an applicant's eligibility for CCSP, the Child Care Subsidy Coordinator is responsible to notify the applicant and Child Care Centre of the change in funding.

5.0 REFERENCES

- 5.1 CCSP Policy 1.3 – Income and Exemptions

6.0 ATTACHMENTS

- 6.1 Income Threshold Table

HISTORY:

June 15, 2021: Editorial, content, and format changes. Policy number has been changed from 4 to 1.1. Financial eligibility criteria has been updated. Income threshold table has been added.

Income Threshold Table

Family Size	Annual Income (<i>as per Section 4.5 above</i>)
2	\$41,806.50
3	\$51,201.00
4	\$59,122.50
5	\$66,100.50
6	\$72,409.50
7	\$78,211.50
8	\$83,614.50
9	\$88,686.00
10	\$93,481.50