



Quality Matters
FUNDING
ELIGIBILITY
FOR LICENSED CHILD
CARE CENTRES

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Quality Matters
Funding Eligibility for Licensed Child Care Centres
Department of Education and Early Childhood Development
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What is Quality Matters?

Quality Matters (QM) is a province-wide initiative that will be used to improve and assess quality in licensed child-care centres. It is based on international evidence regarding the importance of quality in early childhood education and care. It is also based on the concept of Continuous Quality Improvement (CQI), whereby quality improvements are made over time through a reflective and meaningful engagement process. This process involves licensees, centre directors, early childhood educators, families, and other key stakeholders, as appropriate.

Moving forward, the Department of Education and Early Childhood Development (EECD) will ensure that eligibility for provincial funding for licensed child care centres is directly linked to quality improvement and participation in QM.

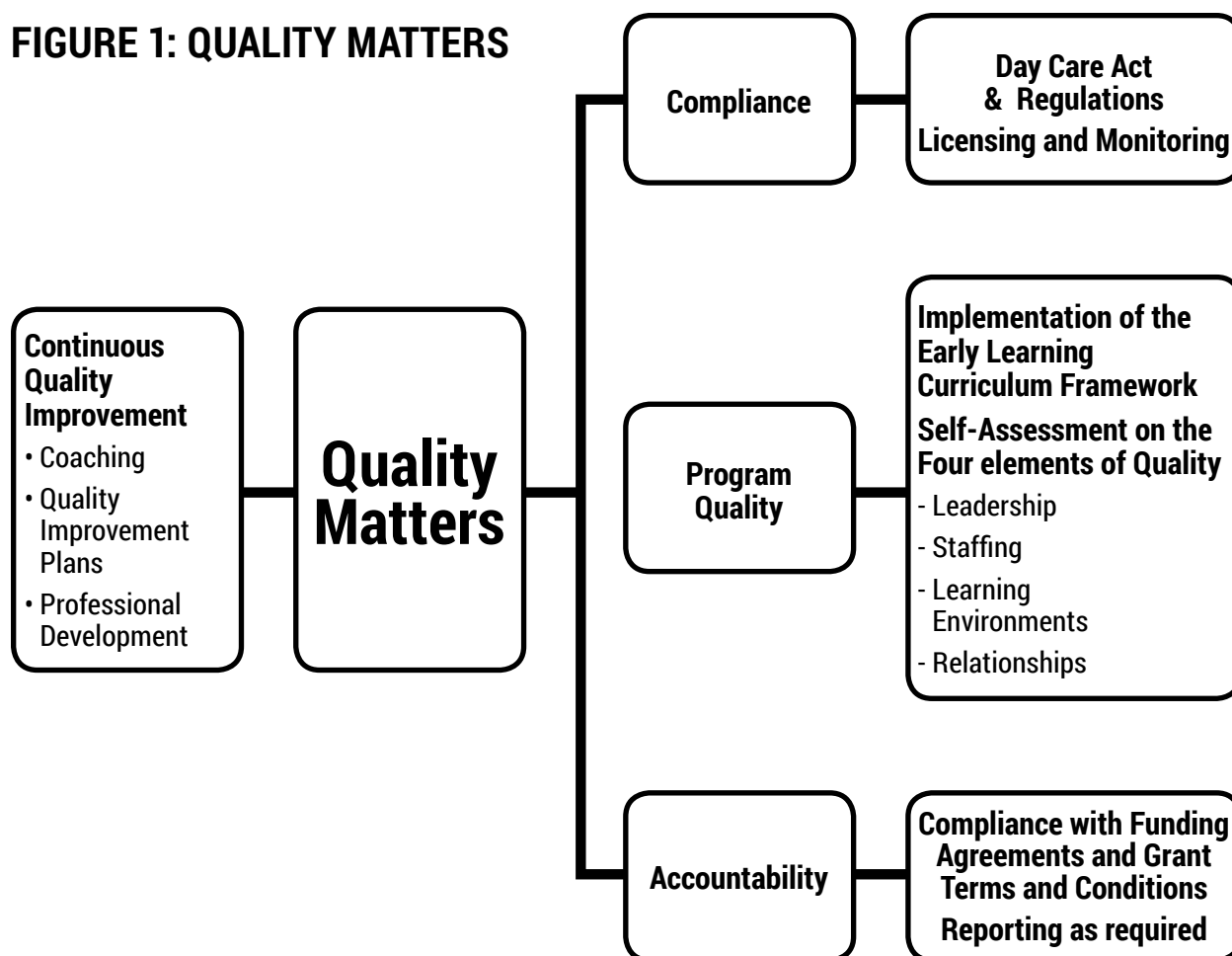
All licensed child care centres that receive provincial funding must participate in QM. Participation is voluntary for centres that do not receive provincial funding.

A licensed child care centre that does not participate in QM must still meet all requirements of the province's Day Care Act and Day Care Regulations.

QM evaluates a centre's success in meeting specific goals with respect to the following components:

- **Compliance** with provisions of Nova Scotia's Day Care Act, Day Care Regulations, policies, and standards.
- **Accountability** for provincial funding, including compliance with the terms and conditions of the Funding Agreement. The child care centre must comply with the terms-and-conditions documents for all grants received. In addition, the child care centre must satisfy financial reporting and audit requirements of the EECD.
- **Program Quality**, which includes
 - implementation of the Early Learning Curriculum Framework
 - commitment to improving quality through a CQI process. This process requires the completion of a self-assessment tool, which will be used as a basis for developing goals for quality improvement in four key areas:
 - **Leadership:** professional, pedagogical, and administrative
 - **Staffing:** qualifications, professional development, human resources, and compensation
 - **Learning Environments:** high quality and inclusive
 - **Relationships:** interactions and partnerships with children, parents and families, staff, other professionals, and the community

FIGURE 1: QUALITY MATTERS



How will my centre be assessed?

As Quality Matters is a new program for EECD, the fiscal year 2018–2019 will focus on providing licensees with opportunities to become familiar with QM and complete the program’s quality self-assessment.

Moving forward in 2019–2020 and beyond, as part of the grant eligibility review process, centres will be given a rating that reflects performance in the Compliance and Accountability components of QM. In addition, centres will be required to submit a Quality Improvement Plan (QIP) that identifies their goals for quality improvement, as well as the timelines and steps to be taken in meeting their goals. Centres will measure their success in meeting their goals for improvement through a Continuous Quality Improvement (CQI) process.

Indicators for Quality Matters Components

Compliance: The centre's licensing history from the previous fiscal year will be reviewed, including inspection results and recorded violations, serious incidents, and substantiated complaints.

The following indicators will be used to determine success in Compliance:

- ✓ The licensee has not received chronic non-compliance status.
- ✓ The license of the licensee has not been cancelled or suspended due to a breach of any provision of the act or regulations or because of failure to comply with the terms and conditions attached to the license.

Accountability: Information for the previous year regarding the centre's adherence to the funding terms and conditions, as well as reporting history, will be reviewed. The review will include funding applications and annual and quarterly reports. Operational issues and financial reports will also be assessed.

The following indicators will be used to determine success in Accountability:

Application Process and Reporting Requirements

- ✓ The licensee submitted applications and the required documentation for funding by the established deadlines.
- ✓ The licensee submitted accurate and complete staffing reports and Annual Reports, with required supporting documentation, by established deadlines.

Grant Terms and Conditions and Funding Agreement

- ✓ The licensee has demonstrated adherence to the terms and conditions of all provincial grant funding:
 - Met the wage floor for all trained staff required for ratio
 - Engaged in the QM program and CQI process
 - Met requirements for limits on parent fee caps
 - No Requirement to Pay notice from the Canada Revenue Agency received by EECD with respect to the centre

Centre Operations

- ✓ The licensee demonstrated an effective fiscal management structure (e.g., set out clear roles and responsibilities for the centre director, licensee, board members, etc.).
- ✓ The licensee participated in random and routine audits as determined by EECD.
- ✓ The licensee signed a subsidy agreement and accommodates families in receipt of a subsidy.
- ✓ The licensee maintained active status with the Registry of Joint Stocks and provides EECD with up-to-date organizational charts and contact information.

Program Quality: The centre successfully implemented the Early Learning Curriculum Framework and works toward meeting established goals for improving quality. These goals are based on the results of the self-assessment as documented in the QIP.

As part of the 2019–2020 grant application process, centres will be required to submit their QIP. In subsequent years, centres will be required to submit evidence of how they have successfully implemented the QIP. At least every three years, centres will be required to complete the program quality self-assessment and revise or update their QIP.

The following indicators will be used to determine a centre's commitment to CQI:

- ✓ The licensee supports staff to engage in training and professional development opportunities (e.g., Early Learning Curriculum Framework).
- ✓ The licensee completes the program quality self-assessment and develops a QIP.
- ✓ The licensee implements the QIP and demonstrates a commitment to the CQI process.

How will my centre be rated?

Quality Matters Rating System

The Compliance and Accountability components will be rated annually beginning in 2019–2020. The ratings are:

R2: Licensee has met all indicators for Compliance and Accountability.

R1: Licensee has met all indicators for one of the components.

R0: Licensee has not met all indicators for either of the components.

R2: When a rating of R2 is granted, the licensee will be eligible to apply for full funding.

R1: When a rating of R1 is granted, the licensee will be eligible to apply for full funding only when an Action Plan for addressing the deficiencies has been established.

The following steps will be taken:

- The Early Childhood Development Consultant (ECDC) will work with the licensee to develop an Action Plan. The plan will outline the specific steps that will be taken to address the issues behind the licensee's failure to meet the indicators.
- The ECDC will arrange follow-up visits with the licensee to ensure the Action Plan has been implemented and progress is being made.

Six months after the licensee has been informed of their centre's R1 rating, the ECDC will visit the licensee to assess the progress of implementation of the Action Plan. If at the six-month check-in it appears to the ECDC that the licensee has not taken steps to implement the Action Plan, the following additional steps will be taken:

- The ECDC will work with the licensee to revise the Action Plan and identify other possible ways to resolve the issues. The ECDC will follow up regularly with the licensee (bi-weekly or as mutually agreed) to monitor the licensee's progress.
- A Quality Improvement Team, with representatives from the Early Years Branch of EECD, will be formed to support the centre in addressing the issues.

When licensees receive a rating of R1 for two years in a row they must immediately identify the steps they will take to address the issues. The steps, a timeline, and indicators for success must be documented in an Action Plan. The ECDC and the Quality Improvement Team will work with the licensee to ensure all possible solutions are explored and available resources are provided to the licensee.

Three months after a licensee received a second consecutive R1 rating, the ECDC will visit the licensee to assess progress with the Action Plan. If it appears to the ECDC that the licensee has not taken steps to implement the Action Plan, the following steps will be taken:

- Licensees will be notified in writing that their funding will be cancelled due to unsatisfactory performance in Quality Matters. They will receive monthly funding for six months from the date the rating was issued to allow time to prepare for the discontinuation of funding.
- Licensees must advise families and staff of the cancellation of the funding.

NOTE: Centres that receive a rating of R1 for two consecutive years may be moved to monthly funding. They will be at risk of having their funding cancelled or suspended if immediate steps are not taken to resolve the issues.

R0: When a rating of R0 is given, the licensee will be eligible to apply for funding for the following year. However, an Action Plan for addressing deficiencies must be included with the application. Funding may be provided on a monthly basis.

The following steps will be taken:

- Licensees will be advised in writing in advance that they will be receiving a rating of R0. They will be informed that their ECDC will contact the licensee to work together to develop an Action Plan. The plan will outline the steps that will be taken to address the issues.
- The EECD quality improvement team, with representatives from the Early Years Branch, will be formed to support the centre in addressing the issues.
- The ECDC will follow up regularly with the licensee (bi-weekly or as mutually agreed) to ensure the Action Plan has been implemented and progress is being made.

Three months after receiving the R0 rating, if the licensee has successfully addressed the issues which resulted in the R0 rating, the ECDC will continue to provide support and check in regularly to ensure continued success.

Three months after receiving the R0 rating, if the licensee has not been successful in addressing the issues which resulted in the R0 rating, additional steps will be taken:

- The ECDC and the Quality Improvement Team will work with the licensee over the following three months to ensure that all possible solutions are explored to resolve the issues.
- If in the opinion of the ECDC and the Quality Improvement Team there has been no improvement with respect to the issues at the end of the three months, the licensee will be advised that they may lose funding if they do not take immediate steps to address the issue.

NOTE: Centres that receive a rating of R0 two years in a row will be notified in writing that their funding will be cancelled due to unsatisfactory performance in Quality Matters. They will receive monthly funding for six months from the date on which the rating was issued to allow time to prepare for the discontinuation of funding. Licensees must advise families and staff of the cancellation of the funding.

Program Quality

As of January 2018, all funded centres will make a commitment to improve the level of quality in their programs. This will be accomplished through a long-term approach to achieving Continuous Quality Improvement (CQI). Because the approach is long-term, a rating will not be given to program quality. However, the funding agreement requires that centres receiving funding engage in the process and implement the new Early Learning Curriculum Framework. If centres do not engage in the process, they will be at risk of losing their funding.

Centres will be required to complete a self-assessment and develop a QIP at least every three years. At this point, the EECD will determine whether or not the goals set in the original QIP have been met and the centre is successfully engaging in the CQI process. If the centre has not shown a commitment to quality improvement through their engagement in the self-assessment and CQI processes, the following steps will be taken:

- Licensees will be notified in writing that their funding will be cancelled due to unsatisfactory performance in Quality Matters. Licensees must advise families and staff of the cancellation.
- Licensees will receive monthly funding for six months from the date on which the determination was made to allow time to prepare for the discontinuation of funding.

What happens if funding is cancelled at my centre?

If it is determined that a licensee is not meeting the requirements of any of the three components of Quality Matters (Compliance, Accountability, and Program Quality) and a decision has been made to discontinue funding, the licensee has the right to request a review of the decision. The licensee may choose to do this in cases when

- the licensee has additional evidence that has not been considered in the determination of the rating
- the licensee believes that the evidence cited in the decision reached about the centre is inaccurate

In requesting a review of the decision, the following process should be followed:

- The licensee should contact the Director, Early Childhood Development Services, in writing, no later than 30 days after receiving the notice to cancel funding.
- The Director will assemble an EECD Quality Improvement Team to review all documents and evidence used to determine the centre's Quality Matters score.
- The EECD Quality Improvement Team will consider all the information available and determine whether decisions were consistent with legislation, regulations, and policy.
- The licensee will receive a written response indicating the outcome of the review, signed by the Director, Early Childhood Development Services.

Can I reapply if my funding is cancelled?

Licensees that have their funding terminated due to failure to meet and sustain the expectations for Quality Matters may reapply two years after their last funding payment is received.

To reapply, the licensee must have continued, during those two years, to engage in the QM CQI process and have provided documentation with their new application that demonstrates that their centre is now able to meet all indicators in each of the components.

NOTE: In the event a child care centre's license is cancelled, grant funding will be immediately cancelled.

