

CITY OF PETERBOROUGH

2018 Guidelines for Provincial Wage Enhancement Grant for Licensed Home Child Care Agencies

http://www.peterborough.ca/Living/City_Services/Social_Services/Children_s_Services.htm

City of Peterborough Social Services



Serving the City and County of Peterborough

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INTRODUCTION AND OVERVIEW

The Ontario government has made an ongoing funding commitment to support a wage enhancement for eligible child care professionals working in licensed child care settings. The wage enhancement/HCCG will help retain RECEs, and support access to stable, high-quality child care programs for children in Ontario. The wage enhancement will also help to close the wage gap between registered early childhood educators (RECEs) working in full-day kindergarten (FDK) programs and RECEs/other child care program staff working in licensed child care settings. The Wage Enhancement initiative has the following goals:

- To close the wage gap between Registered Early Childhood Educators (RECEs) working in full-day kindergarten programs and RECEs/child care professionals in licensed child care settings.
- To help stabilize child care operators by supporting their ability to retain registered early childhood educators.
- To reduce poverty by supporting greater employment and income security.

The Guidelines for Home Child Care Enhancement Grant Distribution in this document provide information about implementation of the Provincial Home Child Care Enhancement Grant by City of Peterborough Children's Services for 2018 for licensed Home Child Care agencies and associated Home Child Care visitors and Home Child Care providers¹.

These guidelines provide licensed Home Child Care agencies with information on requirements and procedures regarding the administration of two grants:

- the Provincial Wage Enhancement Grant, which is for **Home Child Care visitors** and
- the Provincial Home Child Care Enhancement Grant, which is for **Home Child Care providers**

The guidelines provide information on:

- Eligibility
- Funding Conditions
- Funding Calculations
- Distribution Guidelines
- Monitoring and Reporting

Pay Equity and General Operating funding are not part of the Wage Enhancement Grant.

Table 1 provides an overview of the roles and process.

Table 2 provides an overview of the process for agencies as well as the document layout.

¹ The terms "Home Child Care" and "Private Home Day Care" are used synonymously in this document and the accompanying spreadsheet to refer to the system of licensed Home Child Care agencies, Home Child Care visitors and Home Child Care providers. "Home Child Care" is commonly used in Peterborough while "Private Home Day Care" is used by the Province of Ontario.

Table 1: Overview of Roles and Process

Province of Ontario, Ministry of Education

- Established the Wage Enhancement/HCCCEG program
- Set the guidelines and requirements for the grant

Grant flows to City of Peterborough, Children's Services



City of Peterborough, Children's Services

- Child Care Service System Manager (CMSM)
- Manages and plans child care services within the City of Peterborough.
- Administers the Provincial Wage Enhancement Grant (PWE)

Grant flows from City of Peterborough to Licensed Home Child Care Agencies



Licensed Home Child Care Agencies

- Screen, select and sign contracts with Home Child Care providers to provide care for children 0-12 years.
- Apply for PWE grant based on eligible positions and providers' number of agency children served in 2017. They pay the grants to staff in those positions and to providers with agency-placed children in 2018.

Grant is paid by Home Child Care Agency to Eligible Home Visitors and Providers



Home Child Care visitors

- Work for licensed Home Child Care agencies (private-home daycare agencies)
- Defined as staff who are recognized by the Ministry as Home Visitors.

Home Child Care providers

- Individual home caregivers that are contracted by private-home day care agencies to provide care for children aged 0 - 12 years

Table 2: Overview of Grant Process for Agencies and Document Layout

Section 1	Conditions and Eligibility
	<ul style="list-style-type: none"> • For Agencies • For Home Child Care Visitors • For Home Child Care Providers
Section 2	Determination of Agency Entitlement
	<ul style="list-style-type: none"> • Determine funding amount per eligible home visitor and provider position • Calculate agency entitlement
Section 3	Grant Distribution
	<ul style="list-style-type: none"> • Develop policy to govern the distribution of grant • Understand requirements of City, Boards and Agencies • Other conditions (for example, notation on pay stub, payout schedule, redistribution in case of vacancies, reporting requirements)
Section 4	Deadlines and Application Requirements
	<ul style="list-style-type: none"> • Deadlines and actions required • Application requirements
Section 5	Monitoring and Reporting
	<ul style="list-style-type: none"> • Records required for review • Annual random audit of agencies, if selected • Annual Provincial Wage Enhancement Reconciliation Statement • Audit reporting requirements
Section 6	Inquiries and More Information
	<ul style="list-style-type: none"> • Contact information for general and technical inquiries

SECTION 1: CONDITIONS AND ELIGIBILITY

Licensed Home Child Care agencies apply for the Provincial Wage Enhancement Grant once they have determined the eligibility of their agency, Home Child Care visitors and Home Child Care providers. Eligibility requirements are listed in Table 3 for agencies, home visitors and providers.

Table 3: Eligibility Requirements for Home Child Care Agencies, Visitors and Providers

Agency Eligibility	Home Child Care Visitor Eligibility	Home Child Care Provider Eligibility
<ul style="list-style-type: none"> • Must be a Home Child Care agency in the City of Peterborough who provides licensed Home Child Care services. • Must have eligible Home Child Care visitor or Home Child Care provider positions. • Must submit an electronic copy of the application² by February 28, 2018 to be considered. • See Appendix A for details regarding the full application requirements. 	<ul style="list-style-type: none"> • Must be employed by an agency that has applied and met requirements for the grant on behalf of their staff by the application deadline of December 31, 2018 for the 2018 funding. • Must occupy a position that had an associated hourly wage of less than \$25.07 per hour excluding the prior year's Wage Enhancement on December 31, 2017. 	<ul style="list-style-type: none"> • Agencies have the flexibility to fund current year's eligible providers regardless of whether the provider had a contract with agency in 2017. Compensation rate will be based on current year's services. • Must have held a contract with a licensed Home Child Care agency. • Must provide services to one child or more (including privately placed children; excluding providers own children). • Must have received less than \$250.70 (\$20 below the cap of \$270.70) per day in fees excluding previous years HCCEG. • Must be actively serving children during 2018.

NOTE: Applications not received by the deadline will be ineligible for the 2018 allocation

NOTE:

- **Newly opened centres and agencies in 2018 are eligible to apply for wage enhancement/HCCEG funding in the year that the program begins..**
- Home Child Care enhancement funding must be paid to providers in addition to their daily rate and standard provider rate as of December 31, 2017.
- Wage Enhancement funding must be paid to home visitors in addition to their standard hourly wage including all grants (excluding previous years Wage Enhancement amounts) as of December 31, 2016.

² To ensure AODA compliance, City of Peterborough Children's Services will provide an alternate option if an operator is unable to complete the application using the spreadsheet method. For details, please contact bmcityre@peterborough.ca.

SECTION 2: DETERMINATION OF AGENCY ENTITLEMENT

The wage amount per position (Table 4) and the calculation of the entitlement per agency (Table 5) can be determined once the eligibility of the Home Child Care visitor positions and providers is established.

Table 4: Determination of the Wage Enhancement Amount per Eligible Position

Grant Type	Eligible Amount	Determination of Provincial Enhancement
Provincial Wage Enhancement For Home Visitors	Full Wage Enhancement of \$2.00/hour	<ul style="list-style-type: none"> The hourly wage for a Home Child Care visitor position, including all operating grants and pay equity, excluding 2017 WE amounts, is less than \$25.07/hour (i.e. \$2 below the wage cap of \$27.07) effective December 31, 2017
	Partial Wage Enhancement of less than \$2.00/hour	<ul style="list-style-type: none"> The hourly wage for a Home Child Care visitor position including all operating grants and pay equity, excluding 2017 WE amounts is between \$25.08 per hour and \$27.07 per hour as of December 31, 2017. The intent of the partial Wage Enhancement is to increase the wage of the qualifying position up to the \$27.07 provincial Wage Enhancement cap.
	Benefits	<ul style="list-style-type: none"> Benefits are automatically calculated and provided at a rate of 17.5 % to support operators in meeting their statutory benefit requirements.
	Supplemental Grant	<ul style="list-style-type: none"> \$150 per eligible home visitor FTE provided to operators to cover shortfalls in Wage Enhancement salaries (for example additional days worked, sick days, PD days) and/or additional benefits.

Grant Type	Eligible Amount	Determination of Provincial Enhancement
Provincial Home Child Care Enhancement For Providers	Full Wage Enhancement up to \$20/day	<p>The Home Child Care Provider</p> <ul style="list-style-type: none"> • holds a contract with a licensed Home Child Care agency; • provides services for one child or more (including privately placed children; excluding providers own children) • provides full time services on average (6 hours or more a day) • currently receives base daily fees excluding previous year's HCCEG of less than \$2250.70 per day (i.e. \$20 below the cap of \$270.70)
	Partial Wage Enhancement of \$10/day	<p>The Home Child Care Provider</p> <ul style="list-style-type: none"> • holds a contract with a licensed Home Child Care agency • provides services to one child or more (excluding providers own children) • provides part time services on average (less than 6 hours per day) • receives base daily fees excluding year one's HCCEG of less than \$152.42(i.e. \$10 below the cap of \$162.42)
	Supplemental Grant	<ul style="list-style-type: none"> • \$50 per eligible Home Child Care provider to cover salary shortfalls or additional days such as PD days. The supplemental grant must be used to support providers' daily wage and/or benefits.

NOTE:

If there was turnover in a position, the operators should enter the wage rate associated with the position as of December 31, 2017.

Table 5 shows how to calculate the agency entitlement amount based on the assessment of full and partial Wage Enhancement for eligible positions / providers. Each agency is only entitled to the amount generated from their application based on 2017 data.

Table 5: Calculation of Agency Entitlement Amount

Grant Type	Calculation of Agency Entitlement Amount
<p>Provincial Wage Enhancement For Home Visitors</p>	<ul style="list-style-type: none"> • The hourly wage of each eligible position and the percentage of time the position is eligible determines the eligibility rate per hour for the position. Once determined eligible, the hours worked between January 1 and December 31, 2017 per eligible home visitor, the eligibility rate per hour and the percentage of time the position is eligible will be calculated. • Download the Wage Enhancement application at: http://www.peterborough.ca/Living/City_Services/Social_Services/Children_s_Services.htm. The entitlement amount will be calculated in the Excel spreadsheet 2018 Centre Based Wage Enhancement Application for Provincial Wage Enhancement Funding. • To complete the application form, please refer to the “Instructions Tab” located on the online application. Please be sure to take note of the highlighted areas for changes to the 2018 application process. • The annual salary component for eligible positions is determined by the # of Hours Worked in 2017, multiplied by the eligibility rate per hour times the percentage of time worked in the position. • The benefit amount is automatically calculated at 17.5% of the salary component. This includes mandatory benefits as well as statutory holiday and vacation pay. See Appendix B for the breakdown.
<p>Provincial Home Child Care Enhancement For Providers</p>	<ul style="list-style-type: none"> • The provider-based provincial Wage Enhancement is calculated based on the average hours worked in 2017 serving one or more child. <ul style="list-style-type: none"> • 6 hours or more (on average) per day = full time = Fully Eligible • 6 hours or less (on average) per day = part time = Partially Eligible • The days worked (from January 1, 2017 to December 31, 2017) are multiplied by the full or partial grant to determine the annual funding available to the provider. • The entitlement amount will be calculated in the Excel spreadsheet "2018 Home Child Care Wage Enhancement Application for Provincial Wage Enhancement funding." • Download the Wage Enhancement application at http://www.peterborough.ca/Living/City_Services/Social_Services/Children_s_Services.htm. • To complete the application form, please refer to the “Instructions Tab” located on the online application. Please be sure to take note of the highlighted areas for changes to the 2018 application process.

SECTION 3: GRANT DISTRIBUTION

The City of Peterborough, the Home Child Care Agency and the Home Child Care Agency Board of Directors/Owner have designated roles and requirements to meet in the distribution of the Provincial Wage Enhancement Grant (PWE) as presented in Table 6.

Table 6: Roles and Requirements for the Distribution of the Wage Enhancement Program

Role	Description of Requirements for Distribution of Wage/Home Child Care Grants
<p>City of Peterborough Children's Services</p>	<ul style="list-style-type: none"> • 2018 Wage Enhancement payments will continue to be paid to licensed Home Child Care operators in monthly installments (based on the payment schedule from 2017) in advance of the 2018 application process. Operators with a Purchase of Service, with no outstanding financial documentation will have their Wage Enhancement payments continued. Operators are expected to complete the application process if they want to continue to receive Wage Enhancement funding. Agencies that do not have a current Purchase of Service with the City of Peterborough will receive a lump sum payout in the spring with monthly installments thereafter based on their approved amount.

Role	Description of Requirements for Distribution of Wage/Home Child Care Grants
<p>Board of Directors or Owner of the Home Child Care Agency</p>	<p>Ensure that:</p> <ul style="list-style-type: none"> • The amounts per staff do not exceed \$2.00 per hour. • Home Visitors who receive a full entitlement may not have an hourly wage greater than \$25.07. • The hourly wage before Wage Enhancement must be the gross hourly wage including all sources of operating grants and pay equity but excluding previous Wage Enhancement amounts. • Home Visitors eligible for the full \$2.00 per hour must be paid \$2.00 per hour for their eligible hours until the funding for the agency/home visitor positions is exhausted. • Funds are assigned to home visitor positions and not individuals. • Funds are not to be used to lower or offset parent fee increases. • Wage Enhancement funding for Home Visitors is above and beyond legislated minimum wage (\$14.00/hour as of Jan. 1, 2018). • Wage Enhancement payments are in addition to any planned pay equity or other salary increases. • Wage Enhancement funds not utilized in accordance with these guidelines or in accordance with the service contract are returned to City of Peterborough Children's Services. • Benefits of 17.5% support operators in meeting their statutory benefit requirements. Once all statutory benefits are met (including up to 2 weeks of vacation and 9 statutory days), any remaining benefits funding within 17.5% can be used to support Wage Enhancement salaries or to fund other benefit expenses paid by the employer on behalf of the employee. • A supplemental grant of \$150 per eligible home provider FTE is provided to support salary shortfalls (due to increase hours in program or new staff) and additional benefits (e.g. vacation days, sick days, PD days and/or other benefits) once mandatory benefits are covered. Any residual benefits funding can be used to support Wage Enhancement salaries per the allowable expenses (See Appendix B). This is one-way funding flexibility only, that is, salary funding cannot be used for benefits. Any funding that is not used for these purposes will be recovered by the CMSM.

Role	Description of Requirements for Distribution of Wage/Home Child Care Grants
Home Child Care Agency	<ul style="list-style-type: none"> • Must have a policy which governs the distribution of provincial Wage Enhancement and provincial Home Child Care enhancement. The policy must be reviewed and approved by the Operator/Board of Directors and staff / providers must sign a copy of the policy. Agencies are responsible for updating the policy as needed to reflect current Ministry Guidelines as well as ensuring that all new staff read and sign off on the policy prior to receiving funds. See Appendix C for a sample Wage / Home Child Care Enhancement Policy and Procedure. • Must clearly indicate in staff paystubs and Home Child Care provider fee transfers, the portion of Provincial Wage Enhancement/ Provincial Home Child Care Enhancement funding that is being provided as "Provincial Wage Enhancement" or "Provincial Home Child Care Enhancement". • The Wage / Home Child Care enhancement funding must be paid out in full to each eligible position / provider by December 31, 2018 and in the months in which it is received thereafter. • All unassigned wage enhancement funds must be reported to City of Peterborough Children's Services and will be recovered through the reconciliation process. <p>Requirements specific to Home Child Care Providers:</p> <ul style="list-style-type: none"> • Providers are eligible to receive the grant for days where they have an agency-placed child in their care. • If at any point a home provider stops serving agency-placed children the home care agency must terminate the transfer of Home Child Care Enhancement funds to the provider. Funding can be reinstated by the home care agency once the home provider resumes serving agency-based children. • A Provider who is contracted to provide licensed Home Child Care services with more than one Home Child Care Agency, may only be funded their eligible amount for one agency. Agencies who share providers must negotiate who will apply for the funds on behalf of the provider. • Providers who receive a full Provincial Home Child Care Enhancement may not be paid more than \$270.70 per day. • Providers who receive a partial Provincial Home Child Care Enhancement entitlement may not be paid more than \$162.42 per day • A supplemental grant of \$50 per eligible Home Child Care provider is provided to support salary shortfalls. • Meet monitoring and reporting requirements (see Section 5)

NOTE:

- Home Child Care enhancement funding must be paid to providers in addition to their daily rate and standard provider rate as of December 31, 2017.
- Wage Enhancement funding must be paid to home visitors in addition to their standard hourly wage including all grants (excluding previous year's Wage Enhancement amounts) as of December 31, 2017.
- Funds cannot be spent on any other child care program expenses.

SECTION 4: DEADLINES AND APPLICATION REQUIREMENTS

As part of this Grant program, the Agency will be required to meet the following requirements and conditions in order to establish eligibility in 2018.

Please refer to the full listing of legal terms of agreement in Appendix D.

Table 7: Deadlines and Actions Required

Deadline	Actions Required
January 2018	Operator will continue to be funded Wage Enhancement dollars from the City of Peterborough following the monthly payment schedule from 2017. The operator will continue to make Wage Enhancement payments to eligible positions and providers based on current eligibility requirements.
February 28, 2018	Operator submits completed 2018 Wage Enhancement application form including all required documentation to City of Peterborough Children's Services in order to receive Wage Enhancement Funding in 2018.
April, 2018	City of Peterborough notifies operators of approved PWE grant amount (and any potential increase or decrease in their monthly funding amount) and distributes contracts for signature.
Mid May 2018	2018 Contracts distributed and signed copies returned to City of Peterborough. City continues to disburse funds based on the approved application. Administration Funding allocation will be identified on the 2018 contracts and distributed on this payment.
January 31, 2019	Agency submits Annual Provincial Wage/Home Child Care Enhancement Reconciliation Statement
July 31, 2019	Agencies in receipt of Wage Enhancement funding will provide final documentation as prescribed in the Reconciliation process to the City of Peterborough.

SECTION 5: MONITORING AND REPORTING

The monitoring and reporting of provincial Wage Enhancement grant is comprised of:

- Review of required records
- Annual random audit of agencies
- Annual Provincial Wage / Home Child Care Enhancement Reconciliation Statement
- Audit reporting requirements and the Special Purpose Report

Each element is presented with a description in Table 8.

Table 8: Monitoring and Reporting of Wage Enhancement Program

Type of Monitoring/Reporting	Description
<p>Records Required for Review</p>	<p>Agencies are required to keep appropriate records verifying the amount of Wage / Home Child Care Enhancement that was received from the City and distributed to eligible home visitors / providers.</p> <p>These records must be available for review by City of Peterborough Children's Services staff upon request. The required records include but are not limited to:</p> <ul style="list-style-type: none"> • Wage Enhancement policy signed by home visitors/providers • Minutes of Board meetings confirming Wage Enhancement Policy review and approval for current funding year. • Amount received from the City • Amount paid to home visitors • Amount paid to providers • Amount paid as benefits • Home visitors' payroll records including T4s and T4As • Amount paid back to City where applicable • Account Balance • Administrative Funding
<p>Annual Audit of Agencies</p>	<p>On an annual basis City of Peterborough Children's Services staff will review the PWE records for randomly selected agencies. These audits will involve a visit to the centre / agency and will involve a review of required records. Agencies must ensure that all required documents and access to additional financial, staff and provider records are available during the visit.</p>

Type of Monitoring/Reporting	Description
<p>Annual Provincial Wage / Home Child Care Enhancement Reconciliation Statement</p>	<p>All agencies in receipt of the Wage / Home Child Care Enhancement Grant are required to reconcile the funding the agency received from City of Peterborough Children's Services at the end of the City's calendar year, December 31st.</p> <p>A Wage Enhancement Reconciliation Form is required for each agency receiving the grant. There will be a separate Reconciliation required for Home Visitors and for the Home Child Care Providers.</p> <p>Instructions for completing the reconciliation form will be available in late 2018 with a submission deadline of January 31, 2019 to City of Peterborough Children's Services. See Appendix G.</p>
<p>Audit Reporting Requirements</p>	<p>All agencies in receipt of Wage Enhancement funding must provide the City of Peterborough with audited/non-audited financial statements no later than July 31, 2019 that include at a very minimum documentation verifying the total grant amount received from Children's Services, the total amount paid to eligible positions/staff/Home Child Care providers, over/under spending and certify that the grant funds received were used for the purposes that they were intended for.</p> <p>**Requirements for July 31, 2019 reporting will be finalized and communicated later in 2018.</p>

AGENCY CLOSURES / CHANGE IN OPERATOR, TRANSFER OR SALE

If a centre or agency that applied for Wage Enhancement/HCCCEG closes, the CMSM will work with the operator to meet the accountability requirements and support payments to eligible staff and/or Home Child Care providers for hours worked before the closure. Any unused funds will be recovered.

Operators who changed ownership in 2017 may only apply for the funds from the date of the transfer onward.

If a program closes mid-year, the eligible staff would receive Wage Enhancement funding for the hours worked until the program closure.

SECTION 6: INQUIRIES AND MORE INFORMATION

The general public, staff/providers and child care operators can obtain general information, technical and non-technical support as listed in Table 9

Table 9: Wage/Home Child Care Enhancement Inquires

Type of Inquiry	Type of Information	Where to Get Information or Help
General Inquiries	<p>Information relating to the eligibility, application for and distribution of Provincial Wage / Home Child Care Enhancement such as:</p> <ul style="list-style-type: none"> • Questions and Answers Sheet (Q&A's), • Wage Enhancement Grant / Provincial Home Child Care Wage Enhancement Guidelines, • Application information • Reconciliation Process 	<p>http://www.peterborough.ca/Living/City_Services/Social_Services/Children_s_Services.htm</p>
Specific inquiries from Child Care Centre Operators	<p>Technical support for the submission of an online application and non-technical inquiries related to the Wage Enhancement</p>	<p>Contact: Brandi McIntyre bmcintyre@peterborough.ca (705) 748- 8830 ex. 3496 Available Monday to Friday from 8:30am – 4:30pm</p>

APPENDIX A - REQUIREMENTS FOR A COMPLETE APPLICATION

The application period for the 2018 allocation of Provincial Wage Enhancement/Home Child Care Enhancement is from January 15, 2018 to February 28, 2018.

Applications must be completed and certified by an individual with signing authority. Operators, whose complete applications are not received by the February 28, 2018 deadline, will not be considered for the provincial Wage Enhancement for 2018.

Complete applications can be emailed to:

Brandi McIntyre

Early Years Funding Coordinator

City of Peterborough Children's Services

bmcintyre@peterborough.ca

(705) 748-8830 ex. 3496

Information to be submitted by February 28, 2018 for Operators Applying for Provincial Wage / Home Child Care Enhancement

Section A ALL Operators	Section B Operators Who Do Not Have A Current Fee Subsidy Contract
<ul style="list-style-type: none"> ✓ A completed submitted online application of the 2018 Provincial Wage Enhancement and Home Child Care Enhancement Grant. ✓ A paper copy of the approved agency specific Provincial Wage Enhancement Policy and Procedures (New Operators only) 	<ul style="list-style-type: none"> ✓ A copy of your incorporation papers or business license ✓ Completed Operating Information form (See Appendix D) ✓ A completed Electronic Funds Transfer form and a void blank cheque ✓ Most current license to operate a Child Care Program ✓ Certificate of Insurance

****Note: All required documentation must be submitted prior to the development of 2018 contracts before the City will make its first payment to the operator.**

APPENDIX B – BENEFITS, ALLOWABLE EXPENSES

Mandatory Benefits

The Ministry of Education is funding 17.5% for mandatory benefits. There are six mandatory benefit categories included.

Statutory Contributions	Child Care
Canadian Pension Plan (CPP), max \$52,500	4.95%
Employment Insurance (EI), max \$48,600	2.63%
Workers safety Insurance Board (WSIB)	1.10%
Employer Health Tax (EHT)	1.23%
Vacation Pay	4.00%
Public Holiday Pay	3.59%
Total	17.5%

Once all statutory benefits requirements are met (including up to 2 weeks of vacation and 9 statutory days), any remaining funding within the 17.5 percent can be used to fund other benefit expenses paid by the employer on behalf of the employee.

Any residual benefits funding can be used to support Wage Enhancement salaries per the allowable expenses (below). Please note this is one-way funding flexibility only, that is, salary funding cannot be used for benefits.

Allowable Expenses

Wage Enhancement/HCCEG funding (including the supplemental grant) is an enveloped allocation. Wage Enhancement/HCCEG funding must be directed solely to licensed child care staff and home visitors to increase wages and benefits, and to Home Child Care providers to increase daily income. Wage Enhancement/HCCEG funding cannot be used to support child care system expansion or reduce fees.

Operators may only use the funding for the intended purposes of:

- ✓ Increasing wages of eligible centre-based staff and home visitors by up to \$2 per hour plus 17.5 percent benefits based on their current wage rate.
- ✓ Wage Enhancement funding of up to \$2 an hour plus 17.5 per cent benefits should be provided for all hours worked in program, including overtime hours.
- ✓ Providing a daily increase of up to \$20 for eligible licensed Home Child Care providers based on current hours of service provided.

NOTE:

The salary increase cannot exceed \$2 per hour in program and the wage cap of \$270.07 per hour. Operators may exceed 17.5 percent for benefits if the supplemental grant is used to support additional benefit expenses.

Please note: the daily wage increase cannot exceed \$20.00 and the daily cap of \$270.70.

APPENDIX C - SAMPLE WAGE / HOME CHILD CARE ENHANCEMENT POLICY AND PROCEDURE

Home Visitors

Operators must develop a policy and procedure to govern how Wage Enhancement will be distributed. The policy must be reviewed and updated (as needed) with each new funding cycle for as long as the Ministry continues funding. Staff/providers must sign off on the policy yearly. New staff/providers must sign the policy before receiving their first payment.

The policy must include statements that clearly outline the following:

- Funds cannot be used to lower or offset parent fee increases.
- Wage entitlement funding is above and beyond legislated minimum wage (\$14.00/hour as of Jan. 1, 2018).
- Wage Enhancement payments are in addition to any planned pay equity or other salary increases.
- Funds are assigned to positions and not individuals.
- Only positions that were included in the current year's application are eligible for the grant.
- The amount added per hour must not result in the staff's hourly wage being greater than the hourly salary set in the guidelines including all regular increases, pay equity and grants (excluding year one Wage Enhancement amounts).
- Home Visitors eligible for the full \$2.00 per hour must be paid \$2.00 per hour for their eligible hours until the funding for the agency/position is exhausted.
- Benefits of 17.5% support operators in meeting their statutory benefit requirements. Once all statutory benefits are met (including up to 2 weeks of vacation and 9 statutory day), any remaining funding within 17.5% can be used to fund other benefit expenses paid by the employer on behalf of the employee
- The portion of Provincial Wage Enhancement Grant that a staff receives must be clearly indicated on the employee paystub.

The procedures for determining how the centre will allocate funding to home visitors must clearly identify:

- Which positions are eligible and which positions are not (e.g. contract).
- Conditions where staff are ineligible for the increase (e.g. leaves of absence).
- Procedure to determine how and when the grant amount will be disbursed to staff in eligible positions.
- Procedure for handling staff complaints.

Home Child Care Providers

Operators must develop a policy and procedure to govern how Wage Enhancement will be distributed. The policy must be reviewed and updated (as needed) with each new funding cycle for as long as the Ministry continues funding. Staff/providers must sign off on the policy yearly. New staff/providers must sign the policy before receiving their first payment.

The policy must include statements that clearly outline the following:

- Funds may not be used to lower or offset parent fee increases.
- Funds may not be used to decrease existing provider rates.
- The amounts per provider may not exceed the maximums hourly amount listed in the most current guideline.
- The portion of HCCEG that a provider receives must be clearly labeled on the invoice.

The procedures for determining how the agency will allocate funding to providers must clearly identify:

- Conditions where the provider will not be eligible for the full or partial funds
- That where the number of agency placed children with a provider drops to zero, the agency will stop transferring HCCEG funds to that provider. However, once the provider resumes serving agency placed children, the agency can reinstate their HCCEG funding.
- That if the provider were to terminate their contract with the agency in 2018, providers will receive payment for the Home Child Care Enhancement Grant from the agency for the period that they worked in 2018. Procedure for determining how and when the payment will be disbursed to the provider.
- Procedure for how to handle any provider complaints related to this funding.

DEVELOPING A DISTRIBUTION POLICY AND PLAN

Distribution to Home Visitors

The agency entitlement is distributed (paid out) according to the prescribed method until funding is exhausted.

Who is Filling the Eligible Position?	Distribution	Supplemental Grant
Home Visitors including Home Visitor Casual who receives a T4 or T4A making less than \$25.07 as of December 31, 2017	Must be paid \$2/hour for all hours worked (including overtime) in an eligible position until funding is exhausted	For hours where: <ul style="list-style-type: none"> • sick or other absences • more than two weeks' vacation • more than 9 statutory holidays (i.e. Easter Monday, Peter Robinson Day, Remembrance Day)
Home Visitor including Home Visitor Casual who receives a T4 or T4A making more than \$25.08 but less than \$27.07 per hour as of December 31, 2017	Must be paid the eligible amount for all hours worked (including overtime) in an eligible position until funding is exhausted	For hours where: <ul style="list-style-type: none"> • sick or other absences (e.g. PD Days) • more than two weeks' vacation • more than 9 statutory holidays(i.e. Easter Monday, Peter Robinson Day, Remembrance Day)
Home Visitor Casual who <u>does not</u> receive a T4 or T4A	No Wage Enhancement will be paid	See Appendix B - Allowable Expenses
Home Visitor on Sick Leave	No Wage Enhancement will be paid.	See Appendix B - Allowable Expenses
Home Visitor Vacation Time	Wage Enhancement is paid for two weeks' vacation	For any vacation hours that exceed two weeks.
Home Visitor Statutory Pay	Wage Enhancement is paid for up to 9 statutory holidays	For any statutory hours that exceed 9 days.
Home Visitor – Other leaves (e.g. WSIB, maternity, leave of absence)	No Wage Enhancement will be paid	See Appendix B - Allowable Expenses

Distribution to Home Child Care Providers

Who is Filling the Eligible Position?	Distribution	No Distribution (Grant cannot be paid)	Supplemental Grant
Provider eligible for \$20	Must receive \$20/day for every day where they work 6 or more hours with one or more agency placed child(ren) until funding is exhausted.	<ul style="list-style-type: none"> • No agency placed children • For days where they are not paid for the agency-placed children 	<ul style="list-style-type: none"> • Salary Shortfalls
Provider eligible for \$10	Must receive \$10/day for every day where they are paid for an agency-placed child until funding is exhausted.	<ul style="list-style-type: none"> • No agency placed children • Days where they are not paid for the agency-placed child 	<ul style="list-style-type: none"> • Salary Shortfalls

When Entitlement and Anticipated Distribution Amounts Are Different

The agency entitlement is based on the hours/day staff actually worked in positions that existed in the previous year. In some circumstances, the calculated entitlement may result in operators needing to calculate how many hours they will be able to fund for current staff who are in the eligible positions.

Some examples where the eligibility may not result in sufficient funding to cover a staff's current hours include:

- Entitlement calculated for a position based on a staff member who was over the \$25.07 amount and has been replaced by a staff member whose current salary is under \$25.07.

Operators are advised to anticipate their hours for 2018 and estimate the extent to which the grant can cover these anticipated hours. This will allow centres to better plan and communicate the pay out to staff.

Supplemental Grant

In addition to the \$2/hour plus 17.5 per cent benefits, and \$10 or \$20 increase for Home Child Care providers, the ministry will provide an additional supplemental grant of \$150 for each eligible centre based FTE or home visitor FTE and \$50 for each eligible Home Child Care provider. The supplemental grant allows operators some flexibility to provide and implement Wage Enhancement in a way that aligns with their regular operations.

The supplemental grant must be used to support staff, home visitors' and providers' hourly/daily wage or benefits. It provides operators with the flexibility to cover salary shortfalls (due to increased hours in program or new staff/providers) and additional benefits, (e.g. vacation days, sick days, PD days and/or other benefits) once mandatory benefits are covered. Any funding that is not used for these purposes will be recovered.

CMSMs/DSSABs will work with operators to set priorities on how to use the supplemental grant.

Administration Funding

The Ministry has provided the City of Peterborough with a small amount of funding to support operators with costs related to the administration of the Wage Enhancement. Administration funding will be allocated using a predetermined formula and distributed in amounts determined by the CMSM. Amounts will be identified on 2018 Wage Enhancement contracts. Operators may use this funding to support Wage Enhancement administration, such as, upgrading payroll systems, internal payment processes, training for staff related to this initiative and internal processes to track data and expenditures.

APPENDIX D - OPERATING INFORMATION FORM

The Operating Information Form is required for all operators who do not currently have a fee subsidy Purchase of Service agreement for a location.

This form provides City of Peterborough Children's Services with the data required to review and approve the Provincial Wage Enhancement (PWE) Grant Application.

Please submit the following:

- License and operating capacity
- Certificate of insurance
- Electronic Funds Transfer Form
- Incorporation papers or Business License
- A copy of the most current license to operate a child care centre
- A copy of the centres parent fee schedule
- A copy of this page with the below information filled out

Name of child care centre: _____

Operating hours (e.g. 7 a.m. to 6 p.m.): _____

Standard workday hours: _____

(Where staff work different hours, please select the standard hours that apply to most staff).

APPENDIX E – 2018 WAGE ENHANCEMENT / HOME CHILD CARE ENHANCEMENT GRANT LEGAL TERMS AND CONDITIONS

By signing this schedule the license holder acknowledges and agrees with the following terms and conditions:

1. Wage Enhancement funding will be managed by the license holder as *"provider specific"* for Home Child Care providers that operate full time or part time child care programs. The closure of a program permits the Wage Enhancement funding to be re-distributed to another provider.
2. If at any point the contract between a Home Child Care provider and their agency is terminated the Home Child Care agency must terminate the transfer of HCCEG funds to the provider.
3. In the case where the number of agency placed children with a provider drops to zero, the agency will stop transferring HCCEG funds to that provider. However, once the provider resumes serving agency placed children, the agency can reinstate their HCCEG funding.
4. Wage Enhancement funding provided shall be paid by the license holder to the Home Child Care providers identified in the application, all in accordance with the conditions set out in this schedule. The license holder shall pay the funds in addition to the amounts otherwise payable to the Home Child Care providers for services provided for the period of January 1, 2018 to December 31, 2018.
5. The license holder shall not use Wage Enhancement funding for any purpose except as set out in this agreement.
6. Provincial Wage Enhancement funding is above and beyond legislated minimum wage (\$14.00/hour as of Jan. 1, 2018).
7. The license holder shall identify on pay cheques to Home Child Care providers the amount that is provided through Wage Enhancement funding by using the designation of "Provincial Child Care Wage Enhancement" or "Provincial Home Child Care Enhancement Grant" as applicable;
8. Within 31 days (January 31) of the end of the calendar year to which the Wage Enhancement funding applies, the license holder shall provide a completed reconciliation form to the City of Peterborough (in a form and with such content as approved by the City) which shall confirm the amount of Wage Enhancement funding that has been used by the license holder in accordance with the terms and conditions set out in this schedule. . As part of the reconciliation, license holders must provide a formal statement which attests that 100% of Wage Enhancement funding was provided directly to eligible Home Child Care providers with a maximum of \$20 per day or \$2.00 per hour provided for wages plus a maximum of 17.5% provided for benefits (home visitors only). If the reporting deadline is not met, further funds will be withheld until the form is returned and approved by the City of Peterborough.

9. In the event the license holder closes or sells the child care program to another provider mid-year, the City of Peterborough will work with the license holder to meet the accountability requirements and support payments to eligible staff for hours worked before the closure. Any unused Wage Enhancement funding at the time of the closure or sale will be recovered by the City of Peterborough.
10. License holders are subject to review and/or audit upon the City of Peterborough's request and must provide such information as deemed necessary, including but not limited to T4 statements for the purpose of confirming wage increases.
11. Failure to comply with any of the conditions herein may result in a claim for the recovery of the Wage Enhancement funding as well as ineligibility to receive future funds under this program.
12. The City of Peterborough reserves the right to determine and/or vary the amounts, times and manner of any such payments, which may be subject to funding levels from the Provincial Government without notice. This agreement does not constitute a guarantee of the level of funding to the license holder. The City also reserves the right to recover any overpayments made by the City to the license holder.

APPENDIX F – YEAR END FINANCIAL REPORTING REQUIREMENTS

All agencies in receipt of Wage Enhancement funding must provide the City of Peterborough with financial statements no later than July 31, 2018 that include at a very minimum documentation verifying the total grant amount received from Children's Services, the total amount paid to eligible positions/staff and providers, and unspent funds and certify that the grant funds received were used for the purposes that they were intended for.

Wage Enhancement - Reporting on 2018 Financial Statements

As part of your year-end financial statement process, we require that the following information is provided in your financial statements:

1. Verify the amount of the total grant received by site and total all sites
2. Total amount paid to eligible positions by site (no breakdown by position needed, just site totals).
3. Total of unspent funds that are repayable to the City of Peterborough
4. Ensure that the amounts reported are calendar year amounts.

Agencies will report these amounts in the notes to financial statements themselves. An example of a Wage Enhancement note is given below.

The reported amounts should tie into your reconciliations. If you receive funding from other municipalities, please ensure that the funds you receive from Peterborough is reported separately.

The City also needs to verify that the Wage Enhancement funds were used only for the purpose that they were intended for. To avoid extra costs for agencies, we will not require this verification from your auditors/accountants as it would result in extra work and cost. The City will incorporate this work into our review that we perform with agencies. Further details around the City review to come at a later date.

Sample Note to Financial Statement

Provincial Wage Enhancement Grant

In January 2015, the Ministry of Education implemented a new initiative to provide a Wage Enhancement grant up to \$2/hour plus up to 17.5% benefits for eligible staff working in licensed child care programs, and up to \$20/day to Home Child Care providers providing care through a licensed Home Child Care agency. (Name of agency), as the operator, received and disbursed the Wage Enhancement grant to eligible employees in 2018, as follows:

	Funding Received	Unspent Funds Repayable	Disbursed Funds
Site name	\$xxxx	\$xxxx	\$xxxx
Total all Sites	\$xxxx	\$xxxx	\$xxxx

Unspent Wage Enhancement funds are to be returned to the City of Peterborough.

If you have any questions, please feel free to contact Brandi McIntyre, Early Years Funding Coordinator either at bmcintyre@peterborough.ca or 705-748-8830 ext. 3496.

APPENDIX G - WAGE ENHANCEMENT GRANT RECONCILIATION STATEMENT

Operators who receive Provincial Wage Enhancement (PWE) for the period of January 1, 2018 to December 31, 2018 must complete a reconciliation of the funding by January 31, 2019.. Operators will be required to certify that funds were expensed to eligible staff positions in accordance with PWE Guidelines. An agency signing officer will be required to fill in the green cells on the Reconciliation form and submit the form online. An electronic copy of the completed Reconciliation will need to be received by City of Peterborough Children's Services no later than January 31, 2019.

Reconciliation is required for the following:

- The total amount of Fully Eligible PWE expensed toward salary and benefits for Supervisor, RECE, and Non RECE Program Staff.
- The total amount of Partially Eligible PWE expensed toward salary and benefits for Supervisor, RECE, and Non RECE Program Staff.

Please note that:

- Between each type of staff component (fully or partially eligible category), surpluses and deficits may offset each other. For instance, a surplus amount for Fully Eligible RECE may be used to offset a deficit in Partially Eligible Supervisor.
- The salary component and benefit component must be reconciled separately. For example, surpluses in benefits cannot offset salary.
- A maximum of 17.5% of each expensed salary component can be expensed towards benefits.
- PWE may only be used for positions that existed and were eligible in the 2017 qualifying period.
- Any under spending in either of the salary or benefit components will result in a recovery.
- All surplus funds will be recovered by the CMSM.