



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

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Introduction and Overview

The Ontario government provides a wage enhancement for eligible child care professionals working in licensed child care settings. The wage enhancement/HCCCEG 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 agencies by supporting their ability to retain registered early childhood educators.
- To reduce poverty by supporting greater employment and income security.

The Provincial Child Care Wage Enhancement Grant Guidelines (PWE) for licensed child care agencies in this document provide information about implementation of the Provincial Wage Enhancement Program by City of Peterborough Children's Services, for licensed child care centres and their staff and for licensed Home Child Care agencies and associated Home Child Care visitors and 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.

Overview of Roles

Province of Ontario, Ministry of Education

- Established the Wage Enhancement 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 Child Care Agencies

Licensed Child Care Agencies

- Licensed by the Ministry of Education to provide care for children 0-12 years

Guidelines for Provincial Wage Enhancement Grant for Licensed Child Care Agencies

- Applies for grant based on eligible positions and hours worked in the previous year and pays grant to program staff working in the eligible positions in the current year.

Grant is distributed by Licensed Child Care Agency to Eligible Staff

Eligible Centre Staff

- Work for licensed child care agency/centre
- Provide care for children aged 0 - 12 years

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

Home Child Care visitors

- Work for licensed Home Child Care agency (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 agency to provide care for children aged 0 - 12 years

Definition of Terms:

Agency: A general term used to refer to the person(s) that operates a child care service (centre or home). A legally constituted entity.

Centre: A location-based child care program. One application should be completed for each licensed child care centre.

Section 1: Conditions and Overview

Licensed Child Care agencies apply for the Provincial Wage Enhancement Grant (PWE) once they have determined the eligibility of their centre and staff/agency, home visitors and provides. Eligibility requirements are listed in Table 1.

Eligibility Requirements for Child Care Centres

Centre Eligibility

- Must be a licensed child care centre in the City or County of Peterborough.
- Must have eligible staff positions.
- Must complete online application within the application period each year
- Must submit an Electronic copy of the application by the due date to be considered.
- See Appendix A for details regarding the full application requirements

Eligibility Requirements for Child Care Staff Positions

- Must be employed in a licensed child care centre.
- Must have had an associated hourly wage of less than the [wage cap requirements](#).

Child Care Staff Eligibility

- Must be employed in the application year in a position eligible for the grant, by an employer who has been approved for the grant.

Note:

The general guideline is that the position is eligible if it is categorized as a child care supervisor, RECE, or can be otherwise counted toward adult to child ratios (a minimum 25% of the time) under the Child Care Early Years Act (CCEYA).

Eligibility criteria is used to determine entitlement (based on hours worked in previous year) and to determine payments to staff in current year.

If all hours worked by a supply staff are to replace the regular staff's hours (sick days, vacations days, etc.), the agency can report all hours worked by the regular staff including their sick days and vacation days on one line on the application and exclude the hours worked by the supply staff.

If agencies decide to report the hours worked by a supply staff on a separate line, then the hours worked by the regular staff should include actual hours worked only (i.e. exclude sick days, vacation days, other leaves, etc.).

Table 1: Staffing Position and Eligibility

Program Staffing Position in a Licensed Child Care Centre	Eligibility
Non-Program Staff	Eligible for a partial wage enhancement on a prorated basis for time spent in the position if the position requires staff to spend at least 25% of the time in a child care staff position to support <i>Child Care Early Years Act (CCEYA)</i> ratio requirements.
Administrator/Director	
Housekeeper, custodial staff	
Other	
RECE Program Staff	Eligible
Assistant Program Staff	Eligible
Casual or Supply staff	Eligible **
New Position that supports CCEYA ratio requirements	Agencies have the flexibility to fund their current year's eligible positions even if the positions did not exist in the previous year. Please note: if you choose to fund a new position you may run short of funds to support that position. The supplement grant is available to support potential shortfalls.
Supervisor, as indicated on the license	Supervisors who qualify are eligible to receive the wage enhancement for 100% of the time they are working in a licensed child care setting, regardless of the amount of time they are working directly with children.
SNR funded Resource	Not eligible for wage enhancement funding as their positions may not be counted toward the required ratio of employees to children in regulated child care programs.
Special Needs Resourcing positions	Do not qualify for the wage enhancement as they cannot be counted towards ratio requirements.
Staff hired through a Third Party (i.e. Temp Agency)	Not Eligible

Eligibility Requirements for Home Child Care Agencies, Visitors and Providers

Agency Eligibility

- 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 complete and submit an electronic copy of the application by the due date to be considered.
- See Appendix A for details regarding the full application requirements.

Home Child Care Visitor Eligibility

- Must be **employed** by an agency that has applied and met requirements for the grant **on behalf of their staff** by the application deadline.
- Must occupy a position that had an associated hourly wage of less than the [wage cap](#) per hour excluding the prior year's Wage Enhancement.

Home Child Care Provider Eligibility

- Agencies have the flexibility to fund current year's eligible providers. 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 be within the hourly [wage cap](#) excluding previous years HCCEG.
- Must be actively serving children.

Note:

Newly opened centres and agencies 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.

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).

Section 2: Determination of Agency Entitlement

The wage amount per position and the calculation of the entitlement per centre can be determined once the eligibility of the Child Care staff positions is established.

Wage Enhancement Amount per Eligible Position for Child Care Centre Staff and Home Visitors

Full Wage Enhancement of \$2.00/hour – The hourly wage for a Child Care staff and Home Visitors position, including all operating grants and pay equity, excluding WE amounts, is less than the hourly [wage cap](#) identified for the current year.

Partial Wage Enhancement of less than \$2.00/hour – The hourly wage for a **Child Care staff and Home Visitor** positions including all operating grants and pay equity, excluding WE amount is between the hourly [wage cap](#) minimum and the hourly [wage cap](#) maximum. The intent of the partial Wage Enhancement is to increase the wage of the qualifying position up to the provincial Wage Enhancement cap.

Benefits – Benefits are automatically calculated and provided at a rate of 17.5% to support agencies in meeting their statutory benefit requirements.

Supplemental Grant – \$150 per eligible home visitor FTE provided to agencies to cover shortfalls in Wage Enhancement salaries (for example additional days worked, sick days, PD days) and/or additional benefits.

Provincial Home Child Care Enhancement for Providers

Determination of the Wage Enhancement Amount per Eligible Position:

Full Wage Enhancement up to \$20/day - The Home Child Care Provider:

- 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 the daily [wage cap](#)

Partial Wage Enhancement of \$10/day - The Home Child Care Provider:

- 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 the daily [wage cap](#)

Supplemental Grant

Supplemental Grant - \$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:

Guidelines for Provincial Wage Enhancement Grant for Licensed Child Care Agencies
New centres and agencies that open in the current year are eligible to apply for wage enhancement/HCCCEG funding.

Where multiple staff share a position, agencies should enter the lowest wage rate in the application form.

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

Wage Enhancement funding entitlements are based on previous year data; however, wage enhancement payments should be provided to eligible positions for each hour worked in the current year. Agencies have the flexibility to fund their current year's eligible positions, even if the position did not exist previously.

Calculation of Agency Entitlement Amount for Child Care Staff and Home Visitors

- 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, per eligible position, the eligibility rate per hour and the percentage of time the position is eligible will be calculated.
- The annual salary component for eligible positions is determined by the # of hours worked in the previous year 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

Calculation of Agency Entitlement Amount of Provincial Home Child Care Enhancement for Providers

- The provider-based provincial Wage Enhancement is calculated based on the average hours worked in the previous year serving one or more child.
- 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 to December 31) are multiplied by the full or partial grant to determine the annual funding available to the provider.

Note:

Entitlement is based on the hours staff worked in positions that existed the previous year.

Some examples where the eligibility may not result in sufficient funding to cover a staff in an eligible position and the current hours include:

- Entitlement calculated for a position based on a staff whose hourly rate was over the [wage cap](#) amount and has been replaced by a staff whose current hourly rate is less than the [wage cap](#)
- Entitlement based on circumstances where there was lower operating capacity for a period of the year which resulted in fewer hours worked.
- Agencies can use the Supplemental Grant to cover shortfalls in funding. Additionally, agencies have the flexibility to pay wage enhancement to new eligible positions for their hours worked in the current year.

Section 3: Grant Distribution

The City of Peterborough and licensed Child Care agencies have designated roles and requirements to meet in the distribution of the Provincial Wage Enhancement Grant (PWE).

Responsibilities of the City of Peterborough Children's Services

Wage Enhancement payments will be paid to licensed child care agencies in monthly installments Agencies with a Purchase of Service agreement, with no outstanding financial documentation will have their Wage Enhancement payments continued. Agencies are expected to complete the application process annually if they want to continue to receive Wage Enhancement funding.

Responsibilities of the Board of Directors

- The amounts per staff do not exceed the hourly [wage cap](#)
- The hourly wages before wage enhancement (PWE) must be the gross hourly wage including all sources of operating grants and pay equity.
- Funds are assigned to positions and not individuals.
- Funds may not be used to lower or offset parent fee increases.
- PWE funding is above and beyond [legislated minimum wage](#) levels.
- PWE payments are in addition to any planned pay equity or other salary increases.
- PWE funds not utilized in accordance with these guidelines and the terms and conditions are returned to City of Peterborough Children's Services.
- Benefits of 17.5% support agencies 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 funding within 17.5% 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 (see Appendix B). This is one-way funding flexibility only, that is, salary funding cannot be used for benefits.
- A supplemental grant of \$150 per eligible 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 funding that is not used for these purposes will be recovered by the CMSM.
- Must have a policy, which governs the distribution of PWE grant. The policy must be reviewed and approved by the Agency/Board of Directors each year. Staff in receipt of Wage Enhancement funding must sign a copy of the policy that the agency will keep on file (See Appendix C for a sample Wage Enhancement Policy and Procedure).
- Agencies MUST include wage enhancement on each pay cheque or payment made.
- Must clearly indicate on staff paystubs the portion of PWE funding that is being provided with a label of "Provincial Wage Enhancement Grant"
- Home child care must clearly indicate in staff paystubs and Home Child Care provider fee transfers, the portion of Provincial Wage Enhancement/

Guidelines for Provincial Wage Enhancement Grant for Licensed Child Care Agencies
Provincial Home Child Care Enhancement funding that is being provided as
"Provincial Wage Enhancement" or "Provincial Home Child Care
Enhancement".

- The PWE funding must be paid out in full to each eligible position/staff by December 31, of the funding year
- All unassigned wage enhancement funds must be reported to City of Peterborough Children's Services and returned.

Requirements specific to Home Child Care Providers:

- 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 the daily [wage cap](#).
- Providers who receive a partial Provincial Home Child Care Enhancement entitlement may not be paid more than the daily [wage cap](#).
- 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:

Wage enhancement funding must be paid to eligible staff in addition to their standard hourly wage including all grants (excluding previous years wage enhancement amounts) as of December 31, of the current year.

Wage enhancement funding must be paid to providers in addition to their standard provider daily rate.

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).

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 to establish eligibility in the next funding year.

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

January

Agency will continue to be funded Wage Enhancement from the City of Peterborough following the monthly payment schedule from the previous year. The agency will continue to make Wage Enhancement payments to eligible positions based on current eligibility requirements.

January

Agency submits Annual Provincial Wage/Home Child Care Enhancement Reconciliation Statement.

February

Agency submits completed Wage Enhancement application forms for the current year, including all required documentation to City of Peterborough Children's Services to continue to receive Wage Enhancement.

April

City of Peterborough notifies agencies of approved PWE grant amount (and any potential increase or decrease in their monthly funding amount) and distributes contracts for signature.

May

Approved Child Care Funding Allocation contracts distributed and signed copies returned to City of Peterborough. City continues to disburse funds based on the approved application.

July

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 Wage Enhancement distribution and overall expenditures.
- Annual Provincial Wage Enhancement Reconciliation Statements
- Audit reporting requirements

Records Required for Review

Agencies are required to keep appropriate records verifying the amount of Wage Enhancement that was received from the City and distributed to eligible positions/staff.

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:

- Wage Enhancement policy signed by staff
- 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

Annual Audit of Agencies

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, at minimum, a review of required records. Agencies must ensure that all required documents and access to additional financial, staff and provider records are available for review during the visit.

Annual Provincial Wage Enhancement Reconciliation Statement

All agencies in receipt of the Wage 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.

A Wage Enhancement Reconciliation Form is required for each agency (and each site for multi-site agencies) receiving the grant.

Audit Reporting Requirements

Agencies with a Purchase of Service Agreement and in receipt of Wage Enhancement funding must provide the City of Peterborough with audited financial statements or a review engagement depending on the level of funding received by July 31 of the following year, that includes at a very minimum documentation verifying the total grant

Guidelines for Provincial Wage Enhancement Grant for Licensed Child Care Agencies amount received from Children's Services, the total amount paid to eligible positions/staff/Home Child Care providers, total over/under spent and certify that the grant funds received were used for the purposes that they were intended for.

Agencies who do not currently have a Purchase of Service agreement must complete an attestation form that will be submitted with the reconciliation.

Closures/Change in Agency, Transfer or Sale

The Wage Enhancement is not transferrable to a new operator as a result of a sale, merger, transfer, or other change in ownership. Agencies must inform City of Peterborough Children's Services immediately in writing of their intentions to cease operations, merge, sell, or transfer ownership. Provincial wage enhancement may be adjusted to reflect the current operation.

Agencies who change ownership may only apply for the grant from the time of the transfer onward.

Prior to the closure/sale/merger/transfer, the grant must be reconciled to determine if any overpayment exists, and if so, must be repaid.

Section 6: Inquires and More Information

The general public, staff/providers and child care agencies can obtain general information, technical and non-technical support as listed below.

General Inquiries

Information relating to the eligibility, application for and distribution of [Provincial Wage / Home Child Care Enhancement](#) such as:

- Questions and Answers Sheet (Q&A's),
- Wage Enhancement Grant/ Guidelines
- Application information
- Reconciliation Process

Specific inquiries from Child Care Centre Agencies

Details on the submission of an online application and non-technical inquiries related to the Wage Enhancement can be found on the City of Peterborough website.

Appendix A: Requirements for a complete application

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

Details on how to apply can be found on the [City of Peterborough](#) website.

The following outlines the information to be submitted for Agencies Applying for Provincial Wage Enhancement

All Agencies

- A completed online application of the Provincial Wage Enhancement.

New agencies who do not have a current Purchase of Service agreement must also submit

- A copy of your incorporation papers or business license
- Completed New Application form (See Appendix D)
- Most current license to operate a Child Care Program
- Certificate of Insurance
- A paper copy of the approved agency specific Provincial Wage Enhancement Policy and Procedures

Note:

All required documentation must be submitted prior to approval of the application and before the City will make its first payment to the agency.

Appendix B: Benefits and Allowable Expenses

Mandatory Benefits

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

4.95% Canadian Pension Plan (CPP), max \$52,500

2.63% Employment Insurance (EI), max \$48,600

1.10% Workers safety Insurance Board (WSIB)

1.23% Employer Health Tax (EHT)

4.1 % Vacation Pay

3.59% Public Holiday Pay

17.5% Total

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

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

- Increasing wages of eligible centre-based staff 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.

Note:

Agencies may exceed 17.5 percent for benefits if the supplemental grant is used to support additional benefit expenses.

Appendix C: Sample Wage Enhancement Policy and Procedure

Agencies 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 must sign off on the policy yearly. New staff 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.
- 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 previous years Wage Enhancement amounts).
- Staff 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 agencies 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 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 staff 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

Agencies 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.

Guidelines for Provincial Wage Enhancement Grant for Licensed Child Care Agencies

- 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 the current year, providers will receive payment for the Home Child Care Enhancement Grant from the agency for the period that they worked in the year. 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

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

Guidelines for Provincial Wage Enhancement Grant for Licensed Child Care Agencies

Who is Filling the Eligible Position?	Distribution	Supplemental Grant
Program staff and Supervisor including supply/casuals or Home Visitors including Home Visitor Casual who receive a T4 or T4A making less than the hourly wage cap.	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 (e.g. PD Days) • more than two weeks' vacation • more than 9 statutory holidays (i.e. Easter Monday, Civic Holiday, and Remembrance Day)
Program staff and Supervisor including supply/casuals or Home Visitors including Home Visitor Casual who receive a T4 or T4A and are filing a position in the current year.	Must be paid the partial grant amount per hour (including overtime) for all hours worked 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, Civic Holiday, and Remembrance Day)
Program Staff Supply/Casual or Home Visitor Casual who <u>does not</u> receives a T4 or T4A	No wage enhancement will be paid.	See Appendix B - Allowable Expenses
Program Staff/Supervisor or Home Visitor on Sick Leave	No wage enhancement will be paid.	See Appendix B - Allowable Expenses
Program Staff/Supervisor or Home Visitor Vacation Time	Wage enhancement is paid for two weeks' vacation	For any vacation hours that exceed two weeks.
Program Staff/Supervisor or Home Visitor Statutory Pay	Wage enhancement is paid for up to 9 statutory holidays.	For any statutory hours that exceed 9 days.
Program Staff/Supervisor or 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:

	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 entitlement is based on the hours staff worked in positions that existed in the previous year. In some circumstances, the calculated entitlement may result in agencies 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 whose hourly rate was over the [wage cap](#) amount and has been replaced by a staff member whose current hourly rate is under the [wage cap](#).

Agencies are advised to anticipate their hours for the current year 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, the ministry will provide an additional supplemental grant of \$150 for each eligible centre based FTE. The supplemental grant allows agencies 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 staffs hourly wage or benefits. It provides agencies 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,

Guidelines for Provincial Wage Enhancement Grant for Licensed Child Care Agencies (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 agencies 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 agencies 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 the Approved Child Care Funding Allocation schedule. Agencies 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: New Application Form

The [New Application form](#) is required for all new agencies who do not currently have a [Purchase of Service](#) agreement for a child care program. The form provides City of Peterborough Children's Services with the information required to review and approve the Provincial Wage Enhancement (PWE) Grant Application. The following documents will be required when submitting [the form](#):

Certificate of insurance

Incorporation papers or Business License

A copy of the current license to operate a child care centre

Guidelines for Provincial Wage Enhancement Grant for Licensed Child Care Agencies

Appendix E: 2021 Wage Enhancement / Home Child Care Enhancement Grant legal terms and conditions

Agencies with a POS agreement will follow the terms and conditions outlined in the agreement.

Agencies without a POS will follow the conditions outlined in the business guidelines and the WE Attestation form.

Appendix F: Year-end financial reporting requirements

Agencies who do not currently have a Purchase of Service agreement and in receipt of Wage Enhancement funding must provide the City of Peterborough with a completed attestation form that will be submitted with the reconciliation.

Agencies with a Purchase of Service agreement and in receipt of Wage Enhancement funding must provide the City of Peterborough with Audited Financial Statements or a Review Engagement each year 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, unspent funds and certify that the grant funds received were used for the purposes that they were intended for.

As part of your yearend 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 are 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 agency received and disbursed the Wage Enhancement grant to eligible employees, 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.

Appendix G: Wage Enhancement Reconciliation Statement

All agencies who receive Provincial Wage Enhancement (PWE) must complete a reconciliation of the funding. Agencies will be required to certify that funds were distributed to eligible staff positions in accordance with PWE Guidelines. An electronic copy of the completed Reconciliation will need to be received by City of Peterborough Children's Services no later than January 31.

Reconciliation is required for the following:

- The total amount of Fully Eligible PWE expensed toward salary and benefits for all Staff.
- The total amount of Partially Eligible PWE expensed toward salary and benefits for all 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 may be used to offset a deficit in Partially Eligible.
- 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 (unless the supplemental grant is used to provide additional benefits).
- PWE may only be used for positions that existed and were eligible in the annual 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 City of Peterborough.

Note:

Multi-site agencies can fund over spending in one site with under spending from another site within their overall funding allotment.

The City of Peterborough may support funding overages experienced by agencies (should funding permit) at year end.

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