



## 2018 WAGE ENHANCEMENT GRANT GUIDELINES and CRITERIA

### A. BACKGROUND

The Wage Enhancement Grant (WEG) is provided to help retain Registered Early Childhood Educators (RECEs) and other program staff, support access to stable, high quality child care programs for children and will benefit low-income child care program staff. The WEG is intended to help close the wage gap between RECEs working in the full-day kindergarten (FDK) programs and the RECEs and other program staff working in licensed child care settings.

In 2018, the Wage Enhancement Grant (WEG) will continue to support an increase of up to \$2 per hour, plus 17.5% benefits for licensed program staff and home visitors. In addition, a supplemental grant of \$150 for each eligible centre based FTE or home visitor FTE will be provided to allow licensees some flexibility to provide and implement wage enhancement in a way that aligns with their regular operations.

As in 2017, WEG will be based on the previous year's eligibility data as identified in the application process.

**NEW** - Beginning in 2018, licensed centres or agencies created or expanded in 2018 are eligible to apply for wage enhancement in the year the program begins operations.

#### *Key Note:*

*Eligibility and distribution are separate processes. The Wage Enhancement Grant (WEG) is calculated based on the 2017 hours worked in each position but paid out to individuals in these positions based on the actual hours worked in the program in 2018.*

### A. ELIGIBILITY CRITERIA

#### Agencies/Centres

All licensed child care centres and licensed home child care agencies that opened before January 1, 2018 are eligible to apply using the Wage Enhancement (WEG) Application Template.

**NEW** -Any licensed centres or agencies that opened after January 1, 2018 will be eligible to apply using the WEG Expansion Application Template.

## Positions

The position must have existed in a licensed child care centre between January 1, 2017 and December 31, 2017 and continue to exist in 2018; For licensees that open in the current year, please complete the WEG Expansion Application.

The hourly wage must be less than **\$27.07** including all existing wage grants/pay equity (excluding 2017 WEG) as of December 31, 2017. For new centres/agencies the hourly wage must be less than **\$27.07** including all existing wage grants/pay equity as of the date the program begins in 2018.

***Wage grants would include General Operating Grants used toward salaries; and***

The position must be categorized as a child care supervisor, RECE, home child care visitor, or can be otherwise counted toward adult to child ratios under the *Child Care and Early Years Act (CCYEA)*.

Program Staffing Position in a Licensed Child Care Centre	Eligibility
<b>Non-Program Staff</b>	Eligible for a partial wage enhancement on a prorated basis if staff position is required to spend at least 25% of the time in a child care staff position to support <i>Child Care and Early Years Act (CCEYA)</i> ratio requirements.
Administrator/Director	
Housekeeper, custodial staff, cook	
Other	
<b>RECE Program Staff</b>	Eligible
<b>Assistant Program Staff</b>	Eligible
<b>Casual or Supply Staff</b>	Eligible under the following conditions: <ul style="list-style-type: none"><li>• Staff are counted towards ratios</li><li>• As long as these hours have not already been included in the regular position being filled</li></ul>
<b>Supervisor, as indicated on the license</b>	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, if hourly wage is eligible. <b>Note: 100% of regular shift, cannot include additional time spent outside of this time on administrative work</b>
<b>Resource teachers/consultants/enhanced support workers</b>	<b>Not eligible</b> for wage enhancement funding as their positions may not be counted toward the required ratio of employee to children in licensed child care programs.

Once the eligibility of the child care staff positions is established, the licensee needs to determine the wage amount per category, as follows:

Eligible Amount	Determination of Wage Enhancement Amount per Category
Full wage enhancement of \$2.00 per hour	The hourly wage for a child care staff position, including all wage grants and pay equity but excluding 2017 WEG is <b>less than \$25.07/hour</b> effective December 31, 2017 or date of program opening in 2018. (i.e. \$2 below the wage cap of \$27.07)

Partial wage enhancement of less than \$2.00 per hour	The hourly wage for a child care staff position including all wage grants and pay equity but excluding 2017 WEG is <b>between \$25.08 and \$27.07</b> per hour as of December 31, 2017 or date of program opening in 2018. The intent of the partial wage enhancement is to increase the wage of the qualifying position up to the \$27.07 provincial wage enhancement salary cap. <i>For example, if an RECE position has a base wage rate of \$25.50 per hour, the position would be eligible for wage enhancement of \$1.57 per hour.</i>
Benefits	Benefits of 17.5% support licensees in meeting their statutory benefit requirements. Licensees whose benefits are less than 17.5% may use the remaining amount toward salary or to fund additional benefit expenses such as additional vacation/statutory holidays.
Supplemental Grant	An amount of \$150.00 per funded FTE to cover shortfalls in WEG required for salaries (which may cover additional days worked, sick days, training) and additional benefits.
Administration Funding	Prince Edward-Lennox and Addington will provide administration funding to each licensee, whose head office is located in Prince Edward or Lennox and Addington County, who applies for the WEG funding. The amount of funding will be determined based on the number of eligible position and divided by the amount of funding available. Licensee's may use this funding to support the WEG administration, such as, upgrading payment systems, internal payment processes, training for staff related to this initiative and internal processes to track data and expenditures.

**NOTE:**

*The centre funding is based on the hours staff worked in positions that existed in the previous year. In some circumstances, the calculated funding amount based on 2017 may not be sufficient to pay current staff who are in eligible positions in 2018.*

*Some examples where the funding may not be enough to cover a staff in an eligible position and the current hours included:*

- Funding was calculated for a position based on a staff member who was over the maximum salary amount of \$27.07 per hour and has been replaced by a staff member whose current salary is under \$27.07.*
- Funding was based on circumstances where there was lower operating capacity for a period of the year which resulted in less hours worked*

*The Supplemental Grant provides additional funding which could offset situations such as those noted above. Please see Section C: Grant Distribution.*

## B. APPLICATION PROCESS

To access the Wage Enhancement Application and the Wage Enhancement Expansion Application licensees must make application to Prince Edward Lennox and Addington Social Services using the forms provided. The application form is available electronically on the website, for ease of completion and to support accuracy as the form automatically calculates the total number of FTEs that qualify for the funding, as well as funding levels required and the necessary breakdown by salaries and benefits.

Any licensee that has not made application for the wage enhancement funding by the deadline will not be allocated funding in 2018. Licensees who miss the application deadline may apply for wage enhancement funding for 2019.

Applications are to be submitted in the following formats and by the following dates:

Applications	Date Due
<b>WEG Application</b> – submitted electronically to pkent@lennox-addington.on.ca	<b>March 16, 2018</b>
<b>WEG Application</b> – hard copy with signature, mailed to Prince Edward Lennox and Addington Social Services 95 Advance Avenue, Napanee, ON K7R 3Y5	<b>March 31, 2018</b>
<b>WEG Expansion Application</b> – submitted electronically to pkent@lennox-addington.on.ca	<b>Anytime up to July 3, 2018</b>
<b>WEG Expansion Application</b> – hard copy with signature, mailed to Prince Edward Lennox and Addington Social Services 95 Advance Avenue, Napanee, ON K7R 3Y5	<b>July 17, 2018</b>

Wage enhancement entitlement will be recalculated on an annual basis. If a licensee applied in 2017, they must apply again in 2018 for all positions that would be eligible for wage enhancement funding.

***All eligible positions that existed in a licensed child care program, including home visitor in a licensed home child care program in 2017 and continue to exist in 2018 would be included on the WEG Application.***

Completing the WEG Application	How to Complete
Position Description	Enter a description that will assist you in identifying the eligible position.
New Position Created during 2017	If a new position (not new staff person) was created during the 2017 year then select “YES”, otherwise select “NO”.
Category	Select from the drop-down menu to indicate if position is held by an RECE, Non-RECE or Supervisor (as indicated on license)
Base Hourly Wage	Hourly wage paid for the position as of December 31, 2017, excluding the prior year Wage Enhancement amount. It would include GOG and Pay Equity. If the position is paid on an annual salary, take the annual salary divided by the standard hours of work per year.
# hours worked Jan 1- Dec 31, 2017	The licensee has two options in terms of reporting the hours worked in an eligible position by both regular and supply staff in the application form to generate their 2018 funding entitlement.

	<p><b>Option 1:</b> Enter total annual hours for the eligible position. This will give you enough hours to cover the casual/supply staff for time off for sick, vacation etc. If this option is used, casual/supply hours <b>would not need</b> to be applied for separately.</p> <p><b>Option 2:</b> Include the total number of hours this position worked in the program (with children). <b>DO NOT</b> included vacation, sick time or public holiday pay. If this option is used, you <b>will need to</b> include casual/supply hours worked in 2017 separately as another position.</p>
% of Time in Eligible Position	Indicate how much time of this position is required to support ratios as per the eligibility requirements.

#### NOTES:

- Where multiple staff shares a position, licensees should enter the lowest wage rate in the application form.
- If there was turnover in a position, licensees should enter the wage rate associated with the position as of December 31, 2017.
- If a position existed in 2017 but no longer exists in 2018, the licensee should not apply for the position in 2018, as they are not entitled to receive the WEG for that position.

***Any licensed centres or agencies created in 2018, or existing centres or agencies that expanded in 2018 should apply using the WEG Expansion Application.***

Completing the WEG Expansion Application	How to Complete
Position Description	Enter a description that will assist you in identifying the eligible position.
Category	Select from the drop-down menu to indicate if position is held by an RECE, Non-RECE or Supervisor (as indicated on license)
Base Hourly Wage	Hourly wage paid for the position as of the date the program and/or room opened. The hourly wage would include GOG and Pay Equity. If the position is paid on an annual salary, take the annual salary divided by the standard hours of work per year.
# hours estimated to be worked Jan 1- Dec 31, 2018	The licensee should enter the total hours this position will work from the date of opening until December 31, 2018. This will give you enough hours to cover the casual/supply staff for time off for sick, vacation, etc. There will be no need to enter casual/supply hours as it would be included in the above numbers.
% of Time in Eligible Position	Indicate how much time of this position is required to support ratios as per the eligibility requirements.

## C. GRANT DISTRIBUTION

Licensees need to have a system or method to determine their distribution plan for the approved funding. The plan must cover the distribution for each component of the grant:

- Salary component
- Benefit component

- Supplemental grant component

The requirements of licensed child care licensees for the distribution of the WEG are presented in the table below:

Categories	Requirements
<b>Salary component</b>	<ul style="list-style-type: none"> <li>• Distribute funds to <b>all</b> staff in <b>all</b> eligible positions on each pay cheque</li> <li>• Funds are assigned to eligible positions and not individuals</li> <li>• If there is more than one person filling an eligible position in 2018, payment for hours worked in program will be determined by the licensee's distribution plan.</li> <li>• The salary amount paid per staff does not exceed \$2.00 per hour</li> <li>• WEG payments are in addition to any planned pay equity or other salary increases.</li> <li>• WEG funding is above Provincially-legislated minimum wage</li> <li>• WEG funds used to fund overtime hours are not paid as time and a half.</li> <li>• A surplus in salary funding <b>can not</b> be used for benefits</li> </ul>
<b>Benefit component</b>	<ul style="list-style-type: none"> <li>• 7.59% of the benefits is used to cover staff's 4% vacation pay and 3.59% of public holiday pay</li> <li>• Up to 9.91% of the benefits is used to cover employer portion of the mandatory benefits</li> <li>• Once all statutory benefits requirements are met (including 2 weeks of vacation and 9 statutory days), any remaining funding within the 17.5% <b>can be used</b> to fund other benefit expenses paid by the employer on behalf of the employee (i.e. vacation above 4%, dental benefits etc.)</li> <li>• In addition to being able to use any residual benefit funding for additional benefits, it may also <b>be used</b> to support wage enhancement salary shortfalls, per the above allowable expenses</li> </ul>
<b>Supplemental Grant component</b>	<ul style="list-style-type: none"> <li>• The supplemental grant (\$150/funded FTE) provides licensees with flexibility to cover salary for additional hour/new positions and/or additional benefits.</li> <li>• The Supplemental Grant must be used to support staff hourly wages and benefits</li> <li>• The grant can be used to fund additional eligible staff and/or hours in program, vacation days, sick days, training and/or other benefits</li> <li>• Licensees need to set priorities on how to use the Supplemental Grant in their distribution plan.</li> </ul>
<b>Flexibility</b>	<ul style="list-style-type: none"> <li>• In 2018 licensees have the flexibility to fund eligible positions not included in the application, in accordance with their distribution plan</li> </ul>

	<ul style="list-style-type: none"> <li>• A licensee is able to redistribute surplus WEG due to vacant positions to offset any shortfalls</li> <li>• There is flexibility to use the supplemental grant toward new eligible positions in 2018 for salaries and benefits</li> <li>• There is flexibility to distribute the funds within a multi-site agency under the prescribed conditions see note below*.</li> <li>• Funds are not to be used to lower or offset parent fees</li> </ul>
<b>Payment of WEG</b>	<ul style="list-style-type: none"> <li>• Licensees must clearly indicate on staff paystubs the portion of WEG funding that is being provided, or through a separate letter, with a label of “Provincial Child Care Wage Enhancement”</li> <li>• Licensees must include a WEG payment on each paycheck rather than as a lump sum</li> <li>• Licensees must fully pay out the final 2018 WEG payment to staff for each eligible position/staff in the payroll that covers December 31, 2018</li> </ul>

**\*Note: Multi-site agency flexibility**

Multi-site agencies may be eligible to exercise flexibility in the distribution of WEG for some or all of the locations if provided that the site/location was eligible for WEG and was included in the 2018 application process.

**There is no distribution flexibility between Home Child Care Enhancement Grant (HCCEG) and WEG. The HCCEG allocation is not transferrable to child care centres within the same agency and vice versa.**

*NOTE:*

*If at any time during 2018, child care staff or home visitors exceed the cap, excluding wage enhancement, they will not longer be eligible to receive the increase.*

## **D. REPORTING AND ACCOUNTABILITY REQUIREMENTS**

To ensure accountability and the appropriate use of these provincial monies,

- Licensees will be required to sign a Service Agreement with Prince Edward Lennox and Addington Social Services prior to any eligible monies being flowed to Licensees.
- At year-end, Licensees will be required to submit a reconciliation template, provided by Prince Edward Lennox and Addington Social Services, to reconcile the use of monies received. Please ensure that for the purposes of reporting the reconciliation at year end, salaries and benefits payments are tracked separately.
- At year-end, Licensees will be required complete a statement which attests that 100 per cent of wage enhancement funding was provided directly to eligible child care staff and home visitors.
- Funds not utilized in accordance with the eligible expenditures outlined in the service agreement will be recovered by Prince Edward Lennox and Addington Social Services.

- Licensees must clearly indicate on staff paycheques the portion of remittance that is being provided through the wage enhancement initiative, or through a separate letter, by distinctly and separately labelling these monies as “Provincial child care wage enhancement”.
- Licensees must include a WEG payment on each paycheque rather than as a lump sum
- Licensees must fully pay out the final 2018 WEG payment to staff for each eligible position/staff in the payroll that covers December 31, 2018.
- Licensees are required to cooperate with any audit of payroll records undertaken by or for Prince Edward Lennox and Addington Social Services for the purpose of confirming compliance with the funding agreement and guidelines, which may include providing copies of T4 statements.
- Non-compliant Licensees may be deemed ineligible to receive future wage enhancement funding.