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# County of Simcoe

2024

## Wage Enhancement Grant / Home Child Care Enhancement Grant Guidelines

Appendix B - Schedule "C"

***PLEASE RETAIN THIS COPY FOR YOUR RECORDS***

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## **PURPOSE**

This document outlines Minimum Eligibility and Reporting Requirements associated with Wage Enhancement Grant and Home Child Care Enhancement Grant Funding and supersedes all previous County of Simcoe Children Services Guidelines for this funding. In addition to these requirements, Operators must also follow any requirements listed in the Licensee Handbook.

Unless otherwise stated, Child Care Service Providers, Agencies, Service Providers, and/or Programs, refers to Licensed Child Care and includes both Centre Based and Home Child Care respectively.

## **WAGE ENHANCEMENT GRANT / HOME CHILD CARE ENHANCEMENT GRANT SUMMARY**

The Wage Enhancement Grant (WEG) / Home Child Care Enhancement Grant (HCCEG) 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. 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 2024, the Wage Enhancement Grant (WEG) will support an increase of up to \$2 per hour for eligible staff and the mandatory benefits associated with the grant funding to a maximum of 17.5%. The Home Child Care Enhancement Grant (HCCEG) will support an increase of up to \$20 per day for home child care providers. In addition, funding will support an additional *supplemental grant* of \$150 per eligible FTE for centre-based licensed programs and \$50 per eligible provider. As in 2023, WEG and HCCEG allocations will be based on the previous year's eligibility data as identified in the application process.

### **Wage Enhancement Grant - WEG**

- Provided to licensed child care centre and home child care agencies to support eligible child care program staff and home visitors.
- Supports an increase of up to \$2 per hour for eligible staff and home visitors below the cap of a base hourly rate of \$30.59, plus 17.5% benefits.
- Includes an additional supplemental grant of \$150 per eligible FTE (full time equivalent).
- Entitlement will be determined based on all hours worked in program by eligible positions between January 1, 2023 and December 31, 2023 or a comparable prior year. \*For licensees that open in the current year (2024), or were not open the full 2023 year, please estimate the number of hours to be worked\*

“Base Hourly Rate/Wage” is defined as the amount the staff member earns per hour from the employer (excluding prior year's Wage Enhancement Grant and General Operating Grant).

### **Home Child Care Enhancement Grant – HCCEG**

- Provided to licensed home child care agencies to support eligible home child care providers contracted with them.

- Support an increase of \$20 per day for full time providers working more than 6 hours per day, receiving daily fees (excluding 2023 HCCEG) of less than \$285.90 (\$20 below the daily cap of \$305.90) and \$10 per day for part time providers working less than 6 hours per day, receiving daily fees of less than \$173.54 (\$10 below the daily cap of \$183.54).
- Includes an additional supplemental grant of \$50 per eligible provider.
- Entitlement will be determined based on days worked with a licensed home child care agency by eligible home child care providers between January 1, 2023 and December 31, 2023 or a comparable prior year and their average daily services; either full time or part time as defined by the Ministry. \*For providers who did not start at the beginning of 2023 (or who are new in 2024), please estimate the number of days and corresponding income they would have for a full year.

“Daily fees” is defined as the total dollar value that the provider earns each day (excluding prior year’s Home Child Care Enhancement Grant).

### **Wage Cap**

As the intent of the wage enhancement is to close the wage gap between RECEs working in publicly funded schools and RECEs, child care program staff and providers in licensed child care settings, the Ministry has established an hourly wage maximum of \$30.59/hour for centre-based staff and home visitors or an equivalent rate of \$305.90 per day for full time Home Child Care providers (the cap for part time providers is \$183.54). The wage cap aligns with the top of the existing school board Educator Salary Matrix for RECEs in FDK. The cap applies when determining entitlement and for payments to staff and home child care providers.

**Please Note: The addition of the WEG/HCCEG to the “base” wage can increase the individual’s wage up to the salary cap, but cannot exceed the salary cap.**

**Reminder – Base wage should not include General Operating Grant (GOG) funding.**

### **Supplemental Grant**

In addition to the up to \$2/hour plus 17.5% benefits, and \$10 or \$20/day 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.

The supplemental grant will be reconciled as part of the salary and benefits component, where applicable, for the individuals who received the funding. It will not be reconciled separately.

### **Eligibility**

All licensed child care centres and home child care agencies, regardless of auspice, are eligible to apply for this funding. This includes programs that open in the current funding year (2024). If a licensee applied in 2023 for WEG/HCCEG, they will need to apply again in 2024 for all positions or home child care providers that would be eligible.

### **WEG – Child Care Centre Program Staff and Home Child Care Visitors**

#### **Full Wage Enhancement Grant**

To be eligible to receive the full 2024-wage enhancement of \$2/hour plus 17.5% in benefits, staff must:

- Be employed in a licensed child care centre or agency;
- Have an associated base wage with the exception of prior year's wage enhancement of less than \$28.59 per hour (i.e. \$2 below the wage cap of \$30.59); and
- Be in a position categorized as a child care supervisor, RECE, home child care visitor, or otherwise counted toward adult to child ratios under the *Child Care Early Years Act* (CCEYA).

Child care program positions that are in place to maintain lower adult-child ratios than required under the CCEYA and meet the eligibility outlined above, are also eligible for wage enhancement.

#### **Partial Wage Enhancement Grant**

Where an eligible centre-based or home visitor position has an associated base wage rate with the exception of prior year's wage enhancement, between \$28.60 and \$30.58 per hour, the position is eligible for a partial wage enhancement. The partial wage enhancement will increase the wage of the qualifying position to \$30.59 per hour without exceeding the cap.

- For example, if an RECE position has a base wage rate (excluding wage enhancement and general operating grant) of \$29.18 per hour, the position would be eligible for wage enhancement of \$1.41 per hour.

Wage Enhancement payments made to eligible recipients are considered income, and as such are subject to all applicable taxes/deductions.

### **Home Child Care Enhancement Grant (HCCEG) – Home Child Care Providers**

#### **Full Home Child Care Enhancement Grant**

In order to be eligible to receive the full HCCEG of \$20 per day, home child care providers must:

- Hold a contract with a licensed home child care agency;
- Provide services to one child or more (including privately placed children; excluding the provider's own children);
- Provide full time services on average (6 hours or more a day); and

- Receive base daily fees with the exception of prior year's HCCEG, of less than \$285.90 (i.e. \$20 below the cap of \$305.90).

### **Partial Home Child Care Enhancement Grant**

In order to be eligible to receive the partial HCCEG of \$10 per day, home child care providers must:

- Hold a contract with a licensed home child care agency;
- Provide services to one child or more (including privately placed children; excluding the provider's own children);
- Provide part time services on average (less than 6 hours a day); and
- Receive base daily fees with the exception of prior year's HCCEG of less than \$173.54 (i.e. \$10 below the cap of \$183.54).

Please note: Home child care agencies who wish to access both WEG for staff and HCCEG for home child care providers, are required to submit an application for each grant.

### **Payments and Allowable Expenses**

If child care staff or home child care providers exceed the cap at any time during 2024, excluding wage enhancement or HCCEG, they will no longer be eligible to receive the increase.

If at any point a home child care provider stops serving children, the home child care agency must terminate the transfer of HCCEG funds to the provider. WEG / HCCEG 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. WEG / 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 based on their current wage rate) and paying up to 17.5% statutory benefits.  
*Please note: the daily wage increase cannot exceed \$2 per hour in program and the wage cap of \$30.59 per hour. Operators may exceed 17.5% for benefits if the supplemental grant is used to support additional benefit expenses.*
- Wage enhancement funding of up to \$2 an hour plus 17.5% 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.  
*Please note: the daily wage increase cannot exceed \$20 and the daily cap of \$305.90*

Following the application and approval process, funds will be transferred to the operator on a monthly basis with the first payment prorated from January. **Operators must include wage enhancement or home child care enhancement on each pay cheque or payment made following the release of funding. All entitlements must be fully paid out to each eligible position by the final pay period in 2024.**

### **Signed Attestation**

Licensees who completed a WEG/HCCEG attestation by the deadline in 2023, will continue to receive WEG/HCCEG funding in 2024 based on their 2023 entitlement until the applications are reviewed and the 2024 entitlement is confirmed. At that time, all remaining payments will be adjusted for consistency with the newly approved entitlement.

Licensees who continue to receive funding, must ensure that payments continue on every pay cheque or payment made, in accordance with these guidelines.

In addition, operators must notify staff or home child care providers of the amount provided to them through this initiative on staff pay cheques/home child care provider fee transfers, or through a detailed separate letter, labeled as follows:

- Provincial child care wage enhancement grant; or
- Provincial home child care enhancement grant.

Licensees who choose to provide staff or home child care providers with a letter, rather than specifying the WEG/HCCEG on each pay statement, must provide copies of the letter to the County of Simcoe.

### **Ineligible Positions:**

- Cook, custodial and other non-program staff positions are not eligible for wage enhancement funding
- Directors and/or additional program supervisors, not directly working in the program, are not eligible for wage enhancement funding
- The only exception to the above is if the position spends at least 25 per cent of their time to support ratio requirements; in which case the staff would be eligible for wage enhancement for the hours worked in the eligible position supporting ratio
- SNR-funded resource teachers/consultants and supplemental staff (eg. Inclusion support positions) are not eligible for wage enhancement funding
- Staff hired through a third party (i.e. temp agency) are not eligible for wage enhancement

Licensees are encouraged to notify individuals in writing if they are working in an ineligible position or a partially eligible position.

### **Benefits Funding and Flexibility**

Benefits of 17.5% support operators in meeting their statutory benefit requirements. 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% 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 above allowable expenses. Please note this is one-way funding flexibility only, that is, salary funding cannot be used to cover additional benefits costs.

\*Any funding not used for the intended purpose, will be recovered.\*

### **Reconciliation**

All child care programs in receipt of funding will be required to complete reconciliation report(s) outlining how the funding was distributed. Quarterly reports are due as follows:

Quarter 1 and Quarter 2, July 30<sup>th</sup>

Quarter 3, October 30<sup>th</sup>

Quarter 4, January 15<sup>th</sup> (following calendar year)

As part of this reconciliation, child care programs will be required to complete a statement which attests that 100 per cent of wage enhancement/home child care enhancement grant funding was provided directly to eligible child care staff, home child care visitor or home child care provider. Following the third quarter (Q3) report review, the County of Simcoe reserves the right to request some or all of the surplus funding to be returned prior to year end. Where applicable, any remaining unused funding will be identified at year end, through this process and must be returned to the County of Simcoe once licensee receives confirmation from County of Simcoe staff, of the total amount to be returned.

Licensees not enrolled in the Canada Wide Early Learning and Child Care (CWELCC) program that receive between \$20,000 and \$75,000 in annual Funding (GOG and WEG/HCCEG combined) are required to submit a Financial Statement at the “notice to reader” level and Year-End Special Procedures Report. Agencies that receive more than \$75,000 in annual Funding (GOG and WEG/HCCEG combined) are required to submit an Audited Financial Statement and Year-End Special Procedures Report. The Audited Financial Statement must identify the total amount of funding received, and indicate that these funds were received from the County of Simcoe. The Special Procedures Report must identify the amount of Wage Enhancement/Home Child Care Enhancement grant (WEG/HCCEG) received and confirm the amount used to enhance staff salaries. This is required within four months of Agencies’ respective year-end date.

All licensees enrolled in the CWELCC program will be required to provide Audited Financial Statements prepared by a third-party accountant, regardless of the level of funding received from the County.

**\*Please ensure that for the purposes of reporting and reconciling, all salary and benefits payments are tracked separately.**

### **Administration Expenses**

Administration funding is being provided to operators to support the implementation of WEG / HCCEG. Operators may use this funding to support WEG/HCCEG administration, such as, upgrading payment systems, internal payment processes, training for staff related to this initiative, and/or internal processes to track data and expenditures.



## **FUNDING CONDITIONS**

- In the event that the County of Simcoe determines that an operator has failed to meet the funding conditions outlined in their agreement for the provision of WEG/HCCEG funding, the County of Simcoe will recover all misused funds. Additionally, non-compliant operators may be deemed ineligible to receive future wage enhancement/home child care enhancement funding and/or may be deemed ineligible to receive other discretionary funding.
- The County of Simcoe is responsible for investigating all complaints pertaining to use of funding by contracted Child Care Agencies. Complaints will be handled on a case-by-case basis.

Child Care Service Providers shall consider, receive, administer, and reconcile funding in accordance with requirements as specified within:

- Their duly executed County of Simcoe Funding Agreement
- All County of Simcoe Policies, Procedures and Guidelines governing funding at the time of funding distribution

## **CONTACT**

All questions related to the above information or regarding the Service Contract and/or calculation and distribution of funding should be directed to Kristen McArthur at 705-722-3132 ext. 1728 or email [Kristen.McArthur@Simcoe.ca](mailto:Kristen.McArthur@Simcoe.ca).