



2024 Guidelines for Provincial Wage Enhancement and  
Home Child Care Enhancement Grant  
for  
Licensed Home Child Care Agencies in the City of Toronto

**Canada Wide Early Child Care (CWELCC) – Workforce Compensation**

To qualify for workforce compensation increases under CWELCC, operators will be required to apply for PWE on behalf of eligible staff. CWELCC – Workforce Compensation funding will be calculated based on your approved PWE Application. PWE funding will be added to the base wage of staff when considering eligibility for the Workforce wage floor and annual wage increase.

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## Introduction and Overview

In 2014 Government of Ontario Budget included a funding investment to support a wage enhancement in the licensed child care sector. In 2024, 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 Provincial Wage Enhancement (PWE) and Home Child Care Enhancement Grant (HCCEG) will continue in 2024.

### The Provincial Wage Enhancement (PWE) Funding has the following goals:

- Close the wage gap between RECE wages in the education sector and licensed child care sectors;
- Stabilize licensed child care operators by helping them retain RECEs/child care staff; and
- Support greater employment and income security.

These goals support the Ministry's priorities to:

- Stabilize and transform the existing child care system to increase program choice and reliability for parents and support consistent, higher quality child care services to support children's learning and development; and
- Support licensed home child care agencies and strengthen the licensed home child care system.

The *2024 Guidelines for the Provincial Wage Enhancement and Home Child Care Enhancement Grant (HCCEG) for Licensed Home Child Care Agencies in the City of Toronto* provides information about the implementation of the Provincial Wage Enhancement for licensed home child care agencies and their staff.

These guidelines provide licensed home child care agencies with information on requirements and procedures about:

- the Provincial Wage Enhancement Grant (PWE), for **home visitors**, and
- the Provincial Home Child Care Enhancement Grant (HCCEG), for **providers**
- Supplemental Grant
- Administration Funding

The guidelines provide information on:

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

**PWE funding cannot be used to meet minimum wage requirements.**

Please refer to Appendix G for Frequently Asked Questions (FAQ).

**Table 1: Overview**

Sector	Role
<p><b>Province of Ontario, Ministry of Education</b> Grant flows from the Province to City of Toronto, Children's Services</p>	<ul style="list-style-type: none"> <li>Established the Provincial Wage Enhancement (PWE) /Home Child Care Enhancement Grant (HCCEG) program</li> <li>Set the guidelines and requirements for the grant</li> <li>Sets the total funding allocation for Child Care Municipal Service System Manager (CMSM)</li> </ul>
<p><b>City of Toronto, Children's Services</b> Grant flows from City of Toronto to Licensed Home Child Care Agencies</p>	<ul style="list-style-type: none"> <li>Child Care Municipal Service System Manager (CMSM)</li> <li>Manages and plans child care services within the City of Toronto</li> <li>Administers the PWE/ HCCEG</li> <li>Manages the PWE / HCCEG application approvals based on the total funding allocation available</li> </ul>
<p><b>Licensed Home Child Care Agencies</b> Grant is distributed by Home Child Care Agency to Eligible Home Visitors and Providers</p>	<ul style="list-style-type: none"> <li>Screen, select and sign contracts with home child care providers to provide care for children 0-12 years</li> <li>Apply for PWE/HCCEG based on eligible positions and providers' number of children served in 2023 or a comparable prior year</li> <li>Pay the grants to staff in eligible positions and to providers that have a contract with a licensed agency in 2024</li> <li>Newly Licensed home child care agencies created and opening for operations in 2024, can apply for the grant based on estimated home visitors' hours to be worked and estimated providers' service and days in the program in 2024</li> </ul>

## Section 1: Deadlines and Application Requirements

Agencies that were not in compliance with the terms and conditions of the prior years' Provincial Wage Enhancement/Home Child Care Enhancement Grant (PWE/HCCEG) may not be eligible to receive funding in 2024.

Please refer to the full listing of Legal Terms and Conditions in Appendix D. Deadlines and actions required are presented in Table 2 below.

**Table 2: Deadlines and Actions**

Deadlines	Actions
<b>February 9, 2024</b>	Applications are open for agency to complete and submit forms, including all required documentation to the City of Toronto Children's Services as per the instructions and in accordance with the guidelines
<b>March 15, 2024*</b>	Deadline for submission of PWE/HCCEG application forms. *Application deadline does not apply to new agencies opened after the application deadline
<b>Week of April 15, 2024</b>	City of Toronto notifies agencies of approved PWE/HCCEG amounts City of Toronto calculates CWELCC-Workforce Compensation funding based on approved PWE application (for Home Visitors).
<b>Week of May 6, 2024</b>	City of Toronto disburses payment of PWE
<b>Within 60 calendar days after payment received</b>	Agency pays home visitors and home child care providers according to their PWE/HCCEG distribution plan in compliance with the current guidelines
<b>Payroll and payments that cover December 31, 2024</b>	Agency pays final 2024 PWE/HCCEG to all eligible home visitors and child care providers
<b>February 14, 2025</b>	Agency submits Provincial Wage Enhancement / Home Child Care Enhancement Grant Reconciliation
<b>Within 4 months of the Agency's fiscal year end</b>	<ul style="list-style-type: none"> <li>• If an Agency has a Service Agreement for Canada-Wide Early Learning Child Care (CWELCC), a signed audited financial statement is required, including a Note disclosure to the financial statements.</li> <li>• If an Agency <u>does not</u> have a Service Agreement for Fee Subsidy and/or CWELCC and received total aggregate funding from the City of Toronto in the amount of \$20,000 or greater; <ul style="list-style-type: none"> <li>○ a signed review engagement report is required, including a Note disclosure to the financial statements.</li> </ul> </li> </ul>

## Section 2: Conditions and Eligibility

The eligibility for the 2024 Provincial Wage Enhancement/Home Child Care Enhancement Grant (PWE/HCCEG) is based on three levels of assessment:

- Agency Eligibility
- Home Child Care Visitor Eligibility
- Home Child Care Provider Eligibility

The eligibility requirements are listed in Table 3 for each level of assessment.

Funding cannot be transferred between agencies.

**Eligibility:** The 2024 PWE/HCCEG funding amount is calculated based on the 2023 hours worked (or a comparable prior year) in each eligible home visitor/number of children served and number of days of service in each eligible provider.

**Distribution:** Payment to eligible home visitor/provider is based on the actual hours worked in 2024/actual number of children served and number of days providing service.

### Definition of Terms:

**Operator:** A general term used to refer to the person(s) that operates a child care service.

**Agency:** A legally constituted entity.

**Home Child Care Visitors:** Work for a licensed home child care agencies and defined as staff that are recognized by the Ministry of Education as Home Visitors.

**Home Child Care Providers:** Individual home caregivers that are contracted by licensed home day care agencies to provide care for children aged 0-12 years old.

**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"> <li>• Must be a home child care agency in the City of Toronto that provides licensed home child care services</li> <li>• Must have eligible home child care visitor and home child care provider positions</li> <li>• Must apply to Toronto Children’s Services for <u>only</u> those contracted providers that are operating in City of Toronto</li> <li>• Must submit electronic copy of application <b>and</b> printed copy of application signed with original signatures and all supporting documents no later than March 15, 2024</li> <li>• <b>See Appendix A for details regarding the full application requirements</b></li> </ul>	<ul style="list-style-type: none"> <li>• Must be <b>employed</b> by a licensed home child care agency that has applied and met requirements for the grant <b>on behalf of their home visitor</b></li> <li>• Position must have existed in a licensed home child care agency between January 1, 2023 and December 31, 2023* and continue to exist in 2024</li> <li>• For full eligibility, must occupy a position that had an associated hourly wage including all existing base funding (excluding PWE &amp; CWELCC-Workforce Compensation) of less than or equal to \$28.59 per hour on December 31, 2023</li> <li>• For partial eligibility, the hourly wage must be between \$28.60 and \$30.59, including all existing base funding (excluding PWE &amp; CWELCC-Workforce Compensation)</li> <li>• Must include <b>all</b> eligible home visitors in the application</li> </ul> <p>* Not applicable for an agency that opened in 2024</p>	<ul style="list-style-type: none"> <li>• Must have a contract* with a <b>licensed</b> agency that has applied for and has been approved for funding</li> <li>• Provide services to one child or more (including privately placed children; excluding providers own children)</li> <li>• Must have received \$305.90 or less per day in fees for full time providers and \$183.54 or less for part time providers on December 31, 2023</li> </ul>

**NOTE:**

**Provider:** 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 from one agency.** Agencies who share providers must apply for funding in each jurisdiction.

**Home Visitor:** Administration staff and home child care supervisors/directors are **ineligible** unless the position requires staff to spend 25% of their time in a home visitor position which is approved on the license. In this case, the position would be eligible for a portion of the PWE.

### Section 3: Determination of Agency Funding

The wage amount per position (Table 4) and the calculation of the funding 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 Funding – Home Visitors**

Eligible Amount	Determination of PWE for Home Visitors
<b>Full wage enhancement of \$2.00/hour</b>	<ul style="list-style-type: none"> <li>The hourly wage for a home child care visitor position, including base wage and pay equity (excluding 2023 PWE &amp; 2023 CWELCC-Workforce Compensation) is less than or equal to \$28.59 per hour effective December 31, 2023. The home visitor must be paid the full wage enhancement of \$2.00 per hour.</li> </ul>
<b>Partial wage enhancement of less than \$2.00/hour</b>	<ul style="list-style-type: none"> <li>The hourly wage for a home child care visitor position including base wage and pay equity (excluding 2023 PWE &amp; 2023 CWELCC- Workforce Compensation) is between \$28.60 per hour and \$30.59 per hour as of December 31, 2023. The intent of the partial wage enhancement is to increase the wage of the qualifying position up to the \$30.59 per hour provincial wage enhancement threshold.</li> </ul>
<b>Benefits</b>	<ul style="list-style-type: none"> <li>Benefits of 17.5% support agencies in meeting their statutory benefit requirements. Agencies whose mandatory benefits are less than 17.5% may use the remaining amount towards salary or to fund additional benefit expenses, additional vacation/statutory holidays.</li> </ul>
<b>Supplemental Grant</b>	<ul style="list-style-type: none"> <li>An amount of \$150.00 per funded FTE to cover shortfalls in Provincial Wage Enhancement salaries (which may cover additional days worked, sick days and training hours) and benefits.</li> <li><i>Funded FTE</i> is calculated based on 7.25 hours per standard work day in the application as per Provincial direction.</li> </ul>

**NOTE:**

Where multiple staff share a home visitor position, operators should create a new line for each staff with the applicable hours for each.

If there was turnover in a staff for a home visitor position, the agency should enter the wage rate associated with the position as of December 31, 2023.

If a home visitor position existed in January to December 2023 but no longer exists in 2024, the agency is **not entitled** to receive the wage enhancement for that position and should not apply for it.



**Table 4A: Determination of HCCEG for Providers**

Eligible Amount	Determination of HCCEG for Providers
<b>Full HCCEG of \$20.00/day</b>	<ul style="list-style-type: none"> <li>• Receive \$305.90 or less per day (excluding 2023 HCCEG)</li> <li>• Provide services to one child or more (excluding own)                             <ul style="list-style-type: none"> <li>• Provide full time services (on average 6 hours or more a day)</li> </ul> </li> </ul>
<b>Partial HCCEG of \$10.00/day</b>	<ul style="list-style-type: none"> <li>• Receive \$183.54 or less per day (excluding 2023 HCCEG)</li> <li>• Provide services to one child or more (excluding their own)</li> <li>• Provide part-time services (on average less than 6 hours a day)</li> </ul>
<b>Supplemental Grant</b>	<ul style="list-style-type: none"> <li>• A supplemental grant of \$50.00 per eligible home child care provider provides flexibility to agencies to cover additional days or new providers.</li> </ul>

**Table 5: Calculation of Agency Funding Amount**

Table 5 shows how to calculate the agency funding amount based on the assessment of full and partial PWE/HCCEG for eligible positions/providers.

**Agencies newly created and operating in 2024, please contact [tcsfunding@toronto.ca](mailto:tcsfunding@toronto.ca) for assistance with the PWE/HCCEG application.**

Grant Type	Calculation of Agency Funding Amount
<p><b>Provincial Wage Enhancement (PWE) For Home Visitors</b></p>	<ul style="list-style-type: none"> <li>Download the spreadsheet your agency received from the email sent via <a href="mailto:tcsfunding@toronto.ca">tcsfunding@toronto.ca</a> and complete the application form by following the instructions on the Instruction tab. The funding amount will be calculated in the Excel spreadsheet "Application for Provincial Wage Enhancement Funding – Home Visitors (2024)".</li> <li>The annual salary component for eligible positions is determined by the entered hours from January 1, 2023 to December 31, 2023 (or comparable prior year) multiplied by the eligibility rate per hour times the percentage of time worked in the position.</li> <li>The benefit amount is based on 17.5% of the salary component. This includes the employer mandatory benefits as well as statutory holiday (3.59%) and vacation pay (4%) for employees. See Appendix B for additional benefit information.</li> <li>City of Toronto Children's Services reserves the right to cap the hours per position.</li> </ul>
<p><b>Provincial Home Child Care Enhancement (HCCEG) For Providers</b></p>	<ul style="list-style-type: none"> <li>Funding amount is based on eligible home child care providers' time providing care (full-time or part-time) and days worked in 2023 or comparable prior year.</li> <li>Download the spreadsheet your agency received from the email sent via <a href="mailto:tcsfunding@toronto.ca">tcsfunding@toronto.ca</a> and complete this application form by following the instructions on the Instruction tab. The amount will be calculated in the Excel spreadsheet "Application for Provincial Wage Enhancement Funding Home Child Care Provider (2024)."</li> </ul>
<p><b>Supplemental Grant(s)</b></p>	<ul style="list-style-type: none"> <li>The Supplemental Grant (\$150/funded FTE) provides agencies with flexibility to cover salary for additional hours/new positions and/or additional benefits for Home Visitors.</li> <li>Agencies need to set priorities on how to use the Supplemental Grant in their distribution policy and procedures.</li> <li>A Supplemental grant of \$50 per eligible home child care provider will also be provided to agencies to cover additional days, such as attending training.</li> </ul>

Grant Type	Calculation of Agency Funding Amount
<b>Administration Funding*</b>	<ul style="list-style-type: none"> <li>• A minimum of 10% (percent) of the City's allocated administrative funding from the Province is required to be paid to agencies.</li> <li>• The administration funding for each operator is determined by taking the maximum amount of administration funding available and dividing it by the sum of all approved applications. This results in a percentage.</li> <li>• This percentage is then applied to each application based on the amount of the approved funding per location.</li> </ul>

\* Children's Services has historically distributed above the provincially required 10% (percent) PWE administration funding and will strive to do the same in 2024, however Operators may see a reduced administration funding amount disbursed in 2024.

### Section 4: Grant Distribution

Agencies must have an **updated** Policy and Procedures that is in compliance with the current year's PWE/HCCEG Guidelines and is used as a base to determine the distribution plan for the approved funding. The plan must cover the distribution for each component of the grant:

- Salary and benefits for home visitors
- Payments to providers
- Supplemental Grant
- Administration Funding
- Must address how shortfalls and surpluses will be managed
- Must include internal complaints and resolution process

Note that approved funding cannot be transferred between agencies.

The Agency's updated PWE/HCCEG Policy and Procedures should be available to all staff and providers.

The 2024 PWE/HCCEG will be paid to approved applicants by the City of Toronto Children's Services in three installments, the week of:

1. May 2024: Q1 and Q2 – 2024 PWE / HCCEG
2. June 2024: Q3 – 2024 PWE / HCCEG
3. September 2024: Q4 – 2024 PWE / HCCEG

For newly licensed Agencies created in 2024, the schedule of payment will depend on the date of application approval.

For the agencies with accumulated deficits as noted in the audit or financial statements, payments may be paid monthly.

For agencies who do not submit required reconciliation and financial reports (audited financial statements or review engagement report) on time and/or are not in compliance with other requirements, payments will be held.

The requirements of Home Child Care Agency for the distribution of PWE/HCCEG are presented in Table 6.

## **Distribution of the PWE/HCCEG**

The PWE funding amount for Home Visitors is calculated based on the 2023 hours worked or a comparable prior year in each eligible position.

Payment to all eligible Home Visitor staff is based on the actual hours worked in 2024.

For licensed agencies created and operating in 2024, the PWE/HCCEG funding amount is calculated based on estimated home visitor's hours / estimated providers' service and days in program in 2024.

## **Requirements for Home Child Care Agency - Home Visitor**

### **Distribution of Funds**

Ensure that the **home visitor** salary, benefits and supplemental grant are used as follows:

#### **Salary**

- Approved funding amounts are based on eligible positions, not individuals
- Distribute funds to all eligible staff included in the application, for all hours worked in 2024
- If there is shortfall, and more than one person filling an eligible position in 2024, payment for hours worked must be determined by the agency's distribution policy/plan
- The full PWE hourly wage rate paid must be at \$2.00 per hour
- The partial PWE hourly wage rate must be paid at the amount that brings the wage up to \$30.59
- The PWE salary component paid per staff does not exceed \$2.00 per hour
- PWE funding must not be used to meet minimum wage requirements
- PWE payments are in addition to any planned pay equity or other salary increases
- PWE funds used to fund overtime hours are not paid as time and a half
- A surplus in salary funding cannot be used for benefits
- Supplemental grant may be used to support a shortfall in the salary component

#### **Benefits**

- 7.59% of the benefits is used to cover staff's 4% vacation pay and 3.59% public holiday pay
- Up to 9.91% of the benefits is used to cover employer portion of the mandatory benefits
- If the mandatory benefits are less than 9.91%, the remaining amount in the benefit funding may be used to support any shortfall in the salary component
- If the supplemental grant is used to support additional benefit expense, the total benefits may exceed 17.5%

#### **Flexibility**

- Eligible positions not included in the application should be funded in accordance with the agency's distribution policy/plan and in compliance with the guidelines, if total PWE funding received allows
- There is flexibility to use the Supplemental Grant toward new eligible positions in 2024 for salaries and benefits,
- An agency is able to redistribute surplus PWE due to vacant positions to offset shortfalls in other positions
- Supplemental grant may be used to support a shortfall in the benefit component
- Funds are not to be used to lower or offset parent fees or other agency expenses
- Funds are not to be used to meet minimum wage requirements

## Variance

- All unused PWE funds must be reported in the PWE Grant Reconciliation and returned to City of Toronto
- PWE funds not used in accordance with these guidelines and the terms and conditions will be recovered by the City

## Supplemental Grant for Home Visitors

- The Supplemental Grant (\$150 per Funded FTE) provides agencies with flexibility to cover salary for additional hours/new positions and/or additional benefits
- The Supplemental Grant must be used to support staff, home visitors' hourly/daily wage or benefits
- The Supplemental Grant cannot be used to support Administration Funding

Agencies need to set priorities on how to use the Supplemental Grant in their distribution policy/plan

## Requirements for Home Child Care Agency - Providers

### Distribution of Funds

Ensure that the HCCEG Grant and Supplemental Grant for **providers** are used as follows:

- Providers who receive a full Provincial Home Child Care Enhancement funding may not be paid more than \$305.90 per day.
  - The daily increase cannot exceed \$20.00 per day for full time providers.
- Providers who receive a partial Provincial Home Child Care Enhancement funding may not be paid more than \$183.54 per day.
  - The daily increase cannot exceed \$10.00 per day for part time providers.
- Providers are eligible to receive the grant for days where they have one or more children in their care excluding their own children
- If a home provider stops serving children at any time, the home care agency must terminate the transfer of Provincial Home Child Care Enhancement funds to the provider. Funding can be reinstated by the home child care agency once the home provider resumes serving 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 from one agency. Agencies who share providers must apply for funding in each jurisdiction. Flexibility
  - Where unable to distribute the full or partial home child care enhancement to the eligible provider, the agency can redistribute to other eligible providers to fund new providers at a compensation rate based on their current services. If the agency decides to do so, they must meet all accountability requirements.

## Variance

- All unused Home Child Care Enhancement (HCCEG) is to be reported on the reconciliation form and returned to City of Toronto Children's Services
- Funds not used in accordance with these guidelines and the terms and conditions will be recovered by the City

## Supplemental Grant for Providers

The supplemental grant of \$50 per eligible provider allows the agency the flexibility to cover additional days and new providers not in the application. The agency needs to set priorities on how to use the supplemental grant in their distribution policy and procedures

## Requirements for Administration Funding

- Administration funding must only be used for the administration of PWE/ HCCEG such as admin staff or additional bookkeeper hours, upgrading payment systems, internal payment processes, and internal processes to complete and track data and expenditures.

## Requirements for Payment of PWE/HCCEG

- Agencies must clearly indicate on paystubs and home child care provider fee transfers, the portion of PWE/HCCEG that is being provided, or through a separate letter, with the label "Provincial Wage Enhancement" or "Home Child Care Enhancement Grant"
- Agencies must include PWE/HCCEG on each regular pay rather than as a lump sum
- Agencies must begin to pay staff their 2024 PWE/HCCEG within 60 calendar days of receipt of funding
- Payment should include all hours worked / services provided retroactive from January 1, 2024 to the date the payment is being made to all eligible home visitor/provider

Agencies must fully pay out the final 2024 PWE/HCCEG payment to staff/providers in the payroll/payment transfer that covers December 31, 2024

## Requirements for Policy and Procedures

- The agency must have a PWE/HCCEG policy, procedures and a distribution plan which complies with these guidelines
- The policy must include an internal complaint and resolution process
- The policy must be reviewed and approved by the Agency/Board of Directors or designate
- The policy and distribution plan should be shared with staff and providers and be available for reference
- Toronto Children's Services may request a copy of your policy and distribution plan
- Agencies must refer to and follow their PWE/HCCEG Policies and Procedures when distributing funds, see Appendix C

### NOTE:

Provincial Wage Enhancement (PWE) funding must be paid to eligible home visitors in addition to their standard hourly wage as of January 1, 2024, including all grants.

Home Child Care Enhancement Grant (HCCEG) funding must be paid to eligible providers in addition to their standard provider rate as of January 1, 2024.

PWE funds cannot be spent on any other program expenses.

## Section 5: Monitoring and Reporting

The monitoring and reporting of PWE/HCCEG is made up of:

- Review of required records
- Compliance review of agency's PWE/HCCEG distribution and overall expenditures
- Provincial Wage Enhancement / Home Child Care Enhancement Reconciliation
- Audit or review engagement reporting requirements and note disclosure
- Municipal Freedom of Information and Protection of Privacy Act

### Types of Monitoring and Reporting of PWE /HCCEG

#### Records Required for Review

Agencies are required to keep appropriate records verifying the amount of PWE/HCCEG that was received from the City and distributed to eligible home visitors / providers. These records must be available for review by City of Toronto Children's Services staff upon request. The required records include but are not limited to:

- Hard copy of signed and submitted PWE/HCCEG application along with the legal terms and conditions
- Minutes of Board meetings confirming Provincial Wage Enhancement/Home Child Care Enhancement Policy review and approval
- Amount of administration funding expensed with supporting documentation
- Records documenting PWE/HCCEG grant received, payments made to home visitors and home child care providers and any outstanding balances
- Home visitors' payroll records including T4s and T4As
- Amount paid back to City, where applicable

**As with all financial records, these records must be kept for a minimum of seven years.**

#### Compliance Review of Agency's Records

City of Toronto Children's Services staff will review the PWE/HCCEG records for selected agencies. This will involve a visit to the agency to review the required records. Agencies must ensure that all required documents and additional financial, staff and provider records are available during the visit.

#### PWE/HCCEG Reconciliation Statement

All agencies in receipt of the PWE/HCCEG are required to reconcile the funding the agency received from the City of Toronto Children's Services at the end of the calendar year. A reconciliation is required for each agency receiving the grant.

Instructions for completing the reconciliation due to the City of Toronto Children's Services will be available prior to the February 15, 2024 submission deadline. Details will be communicated prior to this deadline.

#### Audited Financial Statement Requirements

Agencies with a Service Agreement for CWELCC must provide the City of Toronto with signed audited financial statements within four months of the Agency's fiscal year end, in compliance with the most current Toronto Children's Services Audit Guidelines.

Agencies without a Service Agreement for Fee Subsidy and/or CWELCC in receipt of \$20,000 or more in aggregate (total) City funding in a calendar year must provide the City of Toronto with a review engagement report within four months of the Agency's fiscal year end. The \$20,000 threshold is set at the Agency level.

Operators must distribute funds to all eligible positions; **withholding of distributions in order to lower the audit / review engagement requirement threshold is not permitted.**

The financial statements (including review engagement report) must include a Note disclosure verifying the total grant amount received from Children's Services, the total amount paid to eligible positions/staff, and must certify that the grant funds received were used for the purposes that they were intended. The accompanying financial statements should have a cross-reference to the "Note disclosure".

If note disclosure is not provided, then a special consideration report must be submitted supplementing the financial information contained in (audited or reviewed) financial statement. The report must be signed by the same licensed public accountant verifying the funding has been used for the purpose(s) intended.

The disclosure must be included as part of the agency's financial statements reconciling grant payments against actual expenditures. See Appendix E for a sample disclosure relating to the grant. Where there is more than one location receiving funding, the financial report must provide a breakdown of revenue and expenses by location.

**If the Auditor's Report or Review Engagement Report for the prior year(s) is not received, the Agency is deemed non-compliant, and Provincial Wage Enhancement/Home Child Care Enhancement Grant (PWE/HCCEG) payments may be held.**

### **Municipal Freedom of Information and Protection of Privacy Act**

All information submitted by operators through the grant is subject to access to information requests as stipulated in the [Municipal Freedom of Information and Protection of Privacy Act \(MFIPPA\)](#)

### **Agency Closures/Change in Operator, Transfer or Sale**

Agencies must inform the City of Toronto Children's Services 60 days in advance, in writing of their intentions to close, merge, sell or transfer ownership.

Prior to the closure, PWE/HCCEG payments may be adjusted to reflect the operational change. The eligible home visitors/providers would receive PWE/HCCEG funding for the hours worked/services provided until the program closure. A reconciliation form must be completed and any surplus or remainder of grant for the year must be returned.

The Provincial Wage Enhancement/Home Child Care Enhancement Grant may not be transferrable to a new agency as a result of a sale, merger, transfer or other change in ownership. The agencies must send a transfer request along with the new ownership and operating information to Toronto Children's Services.

The name of the operator must match with the license name, the letters of incorporation, the bank documentation, and any other supporting documentation.



## Section 6: Provincial Wage/Home Child Care Enhancement Grant Inquiries

The general public, staff, providers and home child care agencies can obtain general information, as well as technical and non-technical support, as listed in Table 7.

**Table 7: Provincial Wage/Home Child Care Enhancement Grant Inquires**

Type of Inquiry	Type of Information	Where to Get Information or Help
<b>General Inquiries</b>	<p>The following information relating to the eligibility, application for and distribution of Provincial Wage Enhancement / Home Child Care Enhancement is available online:</p> <ul style="list-style-type: none"> <li>• Application Process                             <ul style="list-style-type: none"> <li>➤ Guidelines</li> <li>➤ Online Application</li> <li>➤ Required Documents</li> </ul> </li> <li>• Payment Schedules</li> </ul>	<p>The Guidelines can be found at: <a href="https://toronto.ca/children/pwe">toronto.ca/children/pwe</a> or <b>email</b> your question to: <a href="mailto:tcsfunding@toronto.ca">tcsfunding@toronto.ca</a></p>
<b>Specific technical inquiries from Home Child Care agencies</b>	Technical support	<p><b>IT Helpline (416) 397-5555</b> Available Monday to Friday from 7:00 a.m. to 6:30 p.m.</p>
<b>Specific non-technical inquiries from Home Child Care agencies</b>	Non-technical inquiries related to Provincial Wage Enhancement / Home Child Care Enhancement	<p><b>Email</b> your question to: <a href="mailto:tcsfunding@toronto.ca">tcsfunding@toronto.ca</a> or <b>Contact the consultant</b> or <b>Budget Coordinator</b> assigned to your agency</p>

## Appendix A - Requirements for a Complete Application

The application period for the 2024 allocation of Provincial Wage Enhancement/Home Child Care Enhancement (PWE/HCCEG), is from February 9, 2024 to March 15, 2024.

All Applications must be submitted in excel format. Applications must be signed with original signatures (digital signatures are accepted) of the agency signing officers. Agencies must complete applications and submit a signed electronic copy of the application and supporting documentation by the **deadline of March 15, 2024**. Paper copies with original signatures must be submitted, if electronic signatures are not available.

For new licensed home child care agencies created and operating in 2024 that would like to apply, please contact [tcsfunding@toronto.ca](mailto:tcsfunding@toronto.ca) for an application and assistance in completing your application. Final due date for new agencies is December 31, 2024.

Completed applications can be mailed or delivered to:

### Provincial Wage Enhancement/HCCEG Applications

Toronto Children's Services

Metro Hall, 10th floor

55 John St

Toronto ON M5V 3C6

Attn: Faye Jose, Director, Contract & Financial Management

### All Agencies must submit:

- Signed excel spreadsheet for home child care visitors: Application for Provincial Wage Enhancement Funding-Home Visitors 2024 (where applicable)
- Signed excel spreadsheet for home child care providers: Application for Provincial Home Child Care Enhancement Grant Funding / Home Child Care Providers 2024
- Signed "2024 PWE/HCCEG Legal Terms and Conditions"
- Non-profit agencies must have signatures of TWO agency's signing officers

**Paper copies with original signatures must be submitted if electronic signatures are not available.**

## Appendix B - Benefits

### Mandatory Benefits for Home Visitors

The Ministry of Education is funding 17.5% for mandatory benefits which includes six categories. Provincial Wage Enhancement (PWE) is considered income and therefore all statutory deductions apply.

Employer Contributions	Benefits payable to individuals in eligible approved positions
<p><b>Note:</b> This portion of the benefit funding covers the employer's costs. It is not to be distributed as a payment to staff</p> <ul style="list-style-type: none"> <li>• <b>CPP (Canada Pension Plan)</b>, funded at 5.95% for the employer contribution portion</li> <li>• <b>EI (Employment Insurance)</b>, funded at 2.32% for the employer contribution, which is 1.4 times the employee contribution</li> <li>• <b>WSIB (Workers Safety &amp; Insurance Board)</b>, funded at Sector rate. WSIB is optional for certain employers. Employers who do not pay WSIB may reimburse their workplace insurance costs</li> <li>• <b>EHT (Employer Health Tax)</b>, funded at variable rate based on agency's total remuneration. Certain employers are exempt</li> </ul>	<p><b>Note:</b> This portion of the benefit funding is payable to staff</p> <ul style="list-style-type: none"> <li>• <b>Vacation Pay</b>, funded at 4% of gross pay as per the Ontario Ministry of Labour's Employment Standards Act</li> <li>• <b>Public Holiday Pay</b>, funded at 3.59%, representing the following nine days: New Year's Day, Family Day, Good Friday, Victoria Day, Canada Day, Labour Day, Thanksgiving Day, Christmas Day and Boxing Day</li> </ul>

**NOTE:** The above categories are defined as mandatory benefits, however the employer may have a benefit surplus if they are exempt from EHT or the workplace insurance is at a lower rate than WSIB. Agencies may use any remaining benefit funding for salary component or additional benefits. See Section 4: Grant Distribution.

## Appendix C - PWE/HCCEG Policy and Distribution Plan Development Guide

Agencies must develop and update their policies and procedures to govern how the PWE/HCCEG will be distributed. Policies and procedures must be in compliance with the current year's Guidelines, and available to staff.

The policy must include statements that clearly outline eligibility, distribution and internal complaints. To develop your policy/distribution plan, consider the following:

### Home Visitors:

- Which positions are eligible and which positions are not
- Which staff are in eligible positions
- Conditions where staff are ineligible for the grant (e.g. Parental or other leaves of absence)
- Set priorities on how to use Supplemental Grant
- How to allocate the Administration Funding
- When staff will receive payment
- Your plan to distribute any surplus funding (See Table 6)
- Your plan when funds are exhausted (See Table 6)
- How to address and resolve staff complaints within the agency

### Providers:

- Conditions where the provider will not be eligible for full or part-time rates
- Where the number of children drops to zero, the agency will stop transferring HCCEG funds to that provider. Once the provider resumes care for children, the agency can reinstate the funding
- Where the provider terminates the contract with the agency in 2024, providers will receive payment for the HCCEG from the agency for the period that they worked in 2024
- Procedure for how and when the payment will be disbursed to providers
- Agencies that choose to include providers serving only non-agency children in their application must ensure compliance with all accountability requirements
- How to address and resolve provider complaints within the agency

### Note that:

- PWE is assigned to positions and not individuals, thus replacement staff would be eligible
- PWE used to fund overtime pay may not be paid at time and a half
- PWE funding is above Provincially legislated minimum wage
- PWE payments are in addition to any planned pay equity or other salary increases
- Surplus funding and Supplemental Grant can be used to fund new positions that meet the salary and position type requirements
- Surplus salary component cannot be used toward additional benefits expenses
- The benefit component is approved at 17.5% of the PWE salary component
- The 17.5% benefit component includes 7.59% which is comprised of two weeks' vacation (4%) and nine statutory holidays (3.59%) to be paid to eligible staff
- The remaining 9.91% of the benefit component may be used towards employer contributions
- Surplus benefit funding may be used to fund salary or other benefits such as additional vacation

- Supply/casual staff who do not receive a T4 or T4A from the agency are not eligible for the grant
- Procedure to determine how and when the grant amount will be given to eligible home visitors/providers
- HCCEG cannot be used to decrease the existing provider pay rates
- The portion of HCCEG that a provider receives is clearly labelled on the invoice or transfer payment. All PWE/HCCEG payments given to home visitors/providers must provide a breakdown of hours/days of service

**Requirements for Agency Policy and Distribution Plan:**

- The policy and procedure document must have the agency name and an approval date
- Procedures to determine how and when the grant amounts will be given to eligible home visitors/providers must be established.
- There must be a complaints procedure for home visitors/providers regarding PWE /HCCEG funding that clearly identifies:
  - Who their complaint/question should be addressed to
  - Who it should be escalated to within the agency if not resolved
- The 2024 PWE/HCCEG agency policy and procedures must be approved by the agency / board of directors prior to making any payments to home visitors/providers

## **Appendix D - 2024 PWE/ HCCEG Legal Terms and Conditions**

### **(Excerpt from application package)**

By signing this application, the Agency acknowledges and agrees that if the Agency's application for wage enhancement funding is approved, the Agency shall comply with the following terms and conditions:

- (a) The Agency shall comply with all the provisions in Toronto's 2024 Guidelines for Provincial Wage Enhancement Grant for Licensed Home Care Agencies in the City of Toronto.
- (b) The Agency shall pay the funds in addition to the staff's regular wage rate and all wage grants otherwise paid for the period of January 1, 2024 to December 31, 2024;
- (c) The Agency shall not use wage enhancement funding for any purpose except as set out in clause (a) above;
- (d) The Agency shall identify on staff paycheques the portion of the staff's salary that is provided through wage enhancement funding by using the designation of "Provincial child care wage enhancement".
- (e) Within 45 days of the end of the calendar year to which the wage enhancement funding applies, the Agency shall provide a completed reconciliation form to Toronto (in a form and with such content as approved by Toronto) which form shall confirm that the amount of wage enhancement funding that has been used by the Agency in accordance with the terms and conditions set out above. In the event the Agency has not used all of the wage enhancement funding, the Agency shall remit a cheque payable to "City of Toronto" in the amount of the surplus funding to Toronto along with the completed reconciliation form.
- (f) If the Agency does not have a Service Agreement with the City of Toronto and has received funding including wage enhancement funding in the amount of \$20,000 or greater, within 4 months of the end of the Agency's fiscal year to which the funding applies, the Agency shall provide a review engagement report with a note disclosure to Toronto (in a form and with such content as approved by Toronto) which shall confirm that the Agency has used all wage enhancement funding in accordance with the terms and conditions set out above. If the Agency does have a Service Agreement with the City of Toronto, the Agency shall provide an audited financial statement with a note disclosure to Toronto (in a form and with such content as approved by Toronto) which shall confirm that the Agency has used all wage enhancement funding in accordance with the terms and conditions set out above.
- (g) The Agency shall, for a period of seven years from the date of this application, maintain records which clearly identify the receipt and disbursement of wage enhancement funding and shall make such records available to Toronto at all reasonable times provided that Toronto gives the Agency a minimum of twenty-four (24) hours' notice of its intention to do so; and
- (h) In the event that Toronto determines that the Agency received wage enhancement funding for which it was not eligible or that the Agency used wage enhancement funding contrary to the terms and conditions set out above, the Agency shall promptly repay any amount claimed by Toronto upon written demand by Toronto.

## Appendix E - Note Disclosure

When an agency receives \$20,000 or more in total funding from the City of Toronto in a calendar year, it is required to provide an Auditor's Report or a Review Engagement Report within four months after the agency's fiscal year-end. Both reports must contain a Note to the Financial Statements disclosing the details of the agency's PWE / HCCEG funding. This Note Disclosure on PWE / HCCEG Funding must also be cross-referenced to the Financial Statements. Please see below for a sample of the note format.

### Example of the “Note to the Financial Statements Relating to PWE Grants”

Note	Provincial Wage Enhancement (PWE)
Deferred from prior years <sup>(1)</sup>	
Received in this Fiscal Year <sup>(2)</sup>	
PWE expensed in this fiscal year according to the guidelines <sup>(3)</sup>	
PWE returned to Children's Services this fiscal year <sup>(4)</sup>	
PWE deferred to future years + (2) - (3) - (4)	

The Document upload portal must be used by agencies to upload their Audits, Review Engagement Report, Management Letter and Audit supporting documents.

Prior to starting, please review the Document Management guide and video available under Tips, Tricks & Help on the Financial page in [Online Services](#).