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| <p style="text-align: center;">Rainy River District Social Services Administration Board</p> | <p style="text-align: center;">Policy Area</p> <p style="text-align: center;">CHILD CARE Wage Subsidy</p> |
| <p style="text-align: center;">WAGE SUBSIDY</p> | <p style="text-align: center;">Policy Number</p> <p style="text-align: center;">CC-5.0</p> |

Preamble

As Child Care Service Manager, the Rainy River District Social Services Administration Board (RRDSSAB) manages wage subsidy for Child Care Programs.

In order to be eligible for a wage subsidy, Child Care Programs must meet requirements for specific types of programs, positions and funding conditions, as described in the *Ontario Child Care Service Management (OCCSM) Guidelines Wage Subsidy, 2006*. Wage subsidy is available to Day Nurseries, Private Home Child Care, Best Start Hubs, and Child Care Sites providing Special Needs Resourcing. The Private Home Day Care must be associated with a licensed site.

Policy

The RRDSSAB administers wage subsidy to improve the salaries and benefits of Child Care Workers and maintain affordability of services for parents. Eligible staff positions are permanent positions, both full- and part-time, or those contracted as Private Home Day Care Providers. Funds are used to increase the wage subsidy amounts in either non-profit centres or commercial centres to the non-profit formula level.

Wage subsidy not utilized in accordance with the conditions outlined in the following procedures and Ministry/RRDSSAB policy must be returned to the RRDSSAB. Should a Child Care Program fail to comply, the Program may become ineligible to receive future wage subsidy funding and, if necessary, unused dollars may be recovered through a reduction of future payments to the Child Care Program.

In the event that a Private Operator of a Child Care Program sells to another, the existing wage subsidy funds transfer to the new Operator.

Procedure

1. The Children's Services Manager, in consultation with the Assistant Manager of Finance or other designated finance employee, reviews wage subsidy calculations for each Child Care Program on an annual basis. The Assistant Manager of Finance or other designated finance employee forwards a *Wage Subsidy Calculation Guide* and a *Wage Subsidy Utilization Statement* to each Child Care Program in December. Once completed, the information is reviewed to determine any under- or over-spending.
2. The Children's Services Manager establishes and maintains a list of wage subsidy pressures, as identified in the *OCCSM Guidelines*, which may arise as Child Care Programs expand or new Programs open.
3. In-year surpluses are used by the RRDSSAB to offset existing wage subsidy pressures within the service system. Year-end surpluses are managed according to Provincial policy and therefore, at year end, the reconciliation process allows deficits to be offset with surpluses.
4. Child Care Programs may request additional wage subsidy funds. Once reviewed by the Children's Services Manager and Assistant Manager of Finance, or other designated finance employee, funding approvals proceed as additional funds become available through the RRDSSAB or respective Provincial Ministry.
5. The Child Care Program must ensure that payments to employees, including wage subsidy, are reflected in the job rates used by the Program in pay equity calculations.
6. The Child Care Program is entitled to use a portion of wage subsidy to cover mandatory employer contributions, resulting from increased salary and benefit costs related to the implementation of wage subsidy-funded salary and benefit increases.
7. Child Care Programs cannot redistribute wage subsidy funding to remaining staff positions, should the Program be "downsized". Wage subsidy funds distributed to previously-employed positions must be declared surplus on the *Wage Subsidy Utilization Statement* provided to the RRDSSAB at the end of the funding year.
8. Child Care Programs must report any significant reduction in service levels and/or staffing immediately to the Children's Services Manager, particularly when downsizing is expected to occur, so that surplus funds may be identified for distribution. The Children's Services Manager and

Assistant Manager of Finance, or other designated finance employee, recalculates the amount of wage subsidy that the Child Care Program is eligible to receive.

9. During the year, the Children's Services Manager and Assistant Manager of Finance, or other designated finance employee, may monitor significant changes by requesting that a Child Care Program submit a *Wage Subsidy Utilization Statement*. Once received, information is reviewed by the Children's Services Manager and Assistant Manager of Finance, or other designated finance employee, and, if necessary, used to recalculate the wage subsidy entitlement.

ADOPTION & REVIEW GUIDELINES

*Approved by Res. #118/01 on November 15, 2001
Reviewed/Revised by Administrative Approval: 08 April, 2004*

Administrative Approval: 30 Dec, 2010 Signature of D. Dittaro, CAO: Donna Dittaro

Approximate date of next review: February, 2015

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| REFERENCES: | POLICY AREA | POLICY NAME AND NUMBER |
| | <i>Child Care</i> | <i>CC-5.1 Wage Subsidy Monitoring & Reporting</i> |
| | <i>Child Care</i> | <i>CC-2.6 Audit</i> |
| | <i>Child Care Wage Subsidy Guidelines & Procedures, 1995, MCSS</i> | |