

PROVINCE OF BRITISH COLUMBIA

# ECE Wage Enhancement

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## Funding Guidelines - DRAFT

**Ministry of Children and Family Development**

**9/5/2018**

This document is draft, and is subject to revision. A final version of these Funding Guidelines will be publically released in October 2018.

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## I. Introduction/Overview

Recruiting and retaining a skilled, knowledgeable Early Childhood Educator (ECE) workforce is a key factor in implementing the [Childcare BC Plan](#) and government's commitment to improve the overall quality of early childhood programs throughout British Columbia.

To support recruitment and retention and help fulfil government's commitment to supporting the creation of 22,000 new Licensed child care spaces by 2020, a Wage Enhancement (WE) will be implemented for Front-line ECEs working in eligible Licensed child care facilities, starting January 2019. This is the first step in a broader [ECE Recruitment and Retention Strategy](#) to ensure compensation plans and human resource strategies support the development of a stable, qualified, and skilled professional ECE workforce, and in recognition of early care and learning as a sustainable and valued career.

### Purpose Statement

The ECE WE includes the following goals:

- Help promote increased compensation and benefits to ECEs that provide Direct Care to children attending Licensed child care facilities
- Assist with the recruitment and retention of ECEs in order to achieve Government's space creation targets under the Childcare BC Plan.

### Overview of Program

The ECE WE will provide a wage increase of \$1.00 per hour worked to Front-line ECEs (including Front-line ECEs who are also owner/operators of the Licensed Child Care Facility/Organization) working in eligible Licensed child care facilities effective January 2019, and additional Administrative Funding to Organizations to offset mandatory statutory benefit costs (e.g. Employment Insurance, statutory holiday pay, etc.). This WE will be increasing by an additional \$1.00 per hour in April 2020, for a total increase of \$2.00 per hour (not including the additional funding to offset the Organization's mandatory statutory benefit costs).

Front-line ECEs working in Licensed facilities in receipt of Child Care Operating Funding (CCOF) that have opted into the Child Care Fee Reduction Initiative (CCFRI) (if eligible to do so) will be eligible to receive the WE. Note – the requirement for a facility to have enrolled in the CCFRI does not apply to Licensed child care facilities that are ineligible for CCFRI funding (e.g., Licensed Preschools, Licensed School Age-only (Grade 1+) facilities, Aboriginal HeadStart programs, etc.). Additionally, Front-line ECEs working in Licensed facilities that have been approved under the Province's Universal Child Care Prototype Sites initiative (see Section II, Definitions), are also eligible to for this WE.

The ECE WE includes two components:

1. A **retroactive payment** to be issued by the Ministry to approved facilities in early 2019 in recognition of eligible staff hours worked September 1 through to December 31, 2018; and
2. An **ongoing monthly payment** issued by the Ministry to approved facilities in recognition of eligible staff hours worked January 1, 2019 and forward.

Organizations will be required to apply for the ECE WE on behalf of their Front-line ECEs (or themselves, in the event the CCOF contractor/authorized signatory is also an eligible Front-line ECE), including tracking and reporting the number hours worked by eligible Front-line ECEs during the Retroactive Period and on a monthly basis thereafter. Please note, in September 2018 the Ministry will provide Organizations with an ECE WE Retroactive Period Tracking Tool to assist them in tracking staff hours during the Retroactive Period. Please see Figure 1 for a list of important dates to remember regarding the ECE-WE.

Organizations must apply to enroll in the ECE WE by submitting an ECE WE Application Form (one for each of the Organization's facilities) to the Ministry by December 31, 2018 in order to apply for the retroactive component of the ECE WE. Further details regarding how to submit an application for the ECE WE and submit staff hours during the Retroactive Period will be shared with Organizations in fall 2018.

For hours worked January 1, 2019 and forward, approved Organizations (which have submitted an ECE WE Application Form for each facility, either before December 31, 2018, or at a later date if not applying for the retroactive component) will be required to report hours worked on a monthly basis (once approved to enrol).

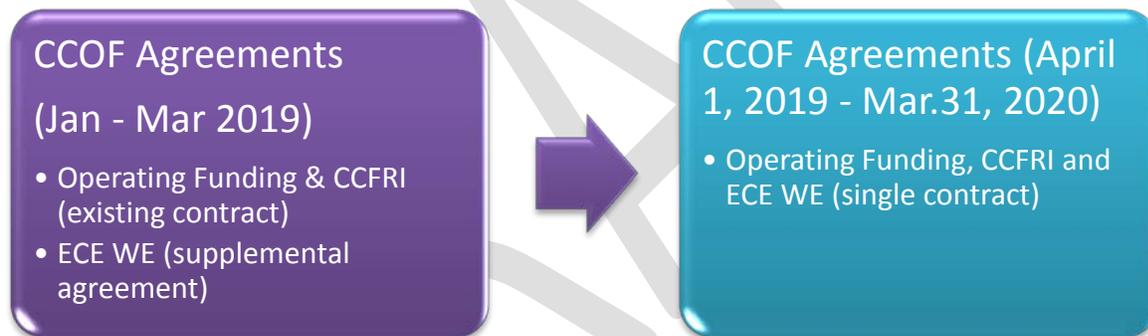
Figure 1: ECE-WE Important Dates to Remember



Organizations in receipt of CCOF that have also enrolled eligible facilities in the CCFRI, OR Licensed child care facilities that have been approved under the Province's Universal Child Care Prototype Sites initiative (see Section II, Definitions), are eligible to apply (note – while Prototype Sites will be ineligible to receive CCOF/CCFRI, they will be eligible to apply for and receive the ECE WE for eligible Front-line staff).

Upon approval of an Organization's ECE WE Application Form, the Organization will be invited to enter into a supplementary funding agreement under the CCOF program with the Ministry of Children and Family Development (MCFD), under which each of the Organization's eligible facilities (e.g. those that have enrolled in the CCFRI if eligible to do so, or those that are ineligible for the CCFRI) will be required to report on an ongoing basis confirming the number of Front-line ECEs and number of hours worked by each Front-line ECE each month. Please note, as reflected in Figure 2, for the January 1 through March 31, 2019 period, Organizations will need to enter into a supplemental funding agreement (under the auspice of the CCOF program) with MCFD in order to receive the ECE WE; however, as of April 1, 2019, eligible Organizations will receive their ECE WE funding through their renegotiated CCOF/CCFRI contracts.

**Figure 2: Overview of ECE WE Funding Mechanisms (January 1, 2019 through March 31, 2020)**



The intent of this funding initiative is to enhance wages for Front-line ECEs. As such, the ECE WE may not be used by Organizations to fund professional development opportunities such as staff education or training, nor may it be used for facility improvements or other operating costs. In addition, the ECE WE may not be used to replace wages that would normally be paid to an ECE by their Organization, nor may it be used to replace scheduled increases.

This Funding Guidelines document provides information about implementation of the ECE WE for child care Organizations and their staff, including information on requirements and procedures regarding:

- Eligibility;
- Funding amounts;
- Distribution of funding, including administrative funding for Statutory Benefits;
- Reporting requirements, including reporting hours worked during the Retroactive Period; and
- Ongoing monitoring and verification requirements.

## II. Definitions

- **Administrative Funding** – funding provided by MCFD to eligible Organizations to offset the increased costs of Statutory Benefits associated with the ECE-WE.
- **Child Care Operating Funding (CCOF):** funding provided by MCFD to eligible Licensed child care Organizations on a per facility basis to assist with the day-to-day costs of running a Licensed Child Care Facility.
- **Child Care Fee Reduction Initiative (CCFRI):** enhanced funding provided by MCFD to eligible Licensed child care providers in receipt of CCOF to reduce parent fees by a prescribed amount. Licensed Group and Family providers already receiving CCOF and providing care for children in the “Under 36 months” and/or aged “3 years to Kindergarten” CCOF category may apply for the initiative.
- **Direct Care:** directly responsible for the care and supervision of enrolled children in a Licensed Child Care Facility.
- **Early Childhood Educator (ECE):** an individual who holds a certificate issued by the BC Early Childhood Educator Registry under Division 2 of part 3 of the Child Care Licensing Regulation (CCLR).
- **Early Childhood Educator Registry (ECER):** The ECER is the legislated authority responsible for the certification of ECEs and ECE Assistants, the recommended approval of post-secondary educational institutions offering early childhood education programs, and the investigation of practice concerns regarding ECEs and ECE Assistants.
- **ECE Employee:** an ECE legally employed at a Licensed Child Care Facility (which may include the facility/Organization owner/operator, so long as this individual meets the eligibility criteria for the ECE-WE), who works in a Front-line capacity (see definition for Front-line).
- **ECE WE Application Form** – application form Organizations must complete in order for any eligible child care facilities (in receipt of CCOF and CCFRI if eligible) to be considered for the ECE WE, including the retroactive component. In order to be considered for the retroactive component, Organizations must submit the ECE WE Application Form (for all eligible facilities) on or before December 31, 2018. The ECE WE Application Form will be made available in advance of the December 31, 2018 deadline.
- **ECE WE Monthly Tracking Form** – monthly tracking form Organizations will be required to complete and submit to the Ministry on an ongoing basis (on a per facility basis), starting in January 2019 in order for the Ministry to calculate the amount of funding each of the Organization’s facilities is eligible to receive, based on the reported number of certified staff and hours worked.
- **ECE WE Retroactive Period Tracking Tool** – tracking tool provided by the Ministry to eligible Organizations to assist them in tracking staff hours during the Retroactive Period (September 1, through December 31, 2018) on a per facility basis. Please note, Organizations must submit an ECE WE Application Form (one per facility) prior to December 31<sup>st</sup>, 2018 in order to be considered eligible for the Retroactive Period. The Ministry will provide the ECE WE Retroactive Period Tracking Tool to eligible facilities in September 2018.

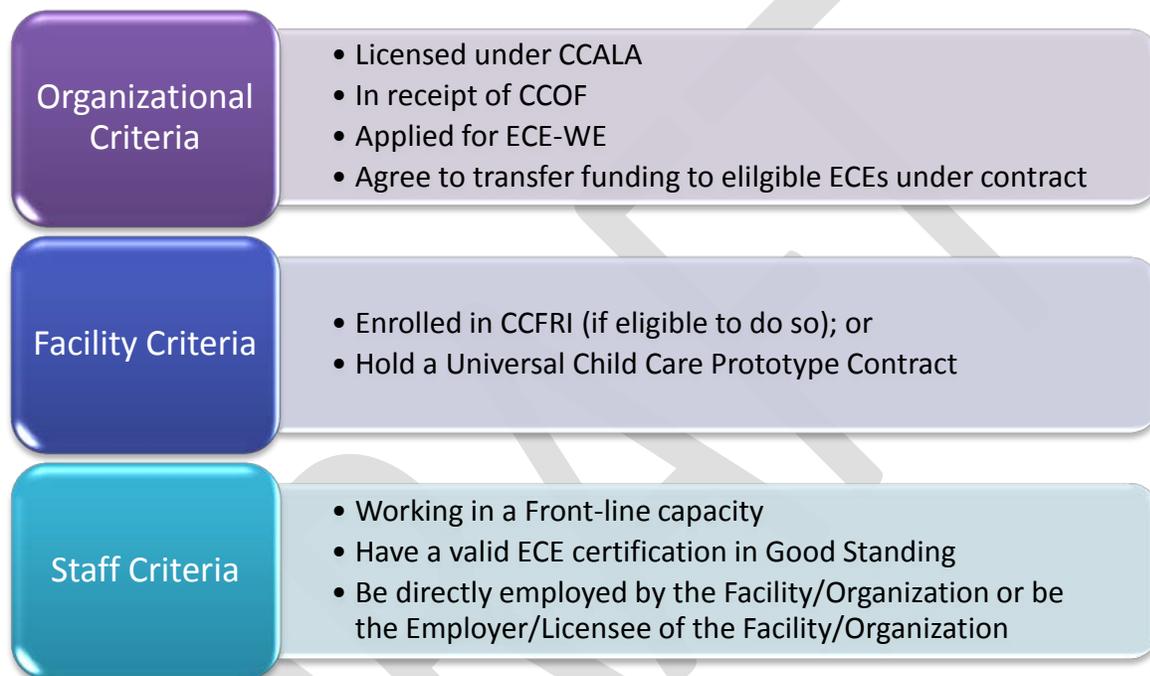
- **Employer:** the Licensee of Licensed Child Care Facility. Note Employers/Licensees may be eligible to receive the ECE-WE, so long as they meet the staff eligibility requirements and are legally employed by an eligible facility.
- **Employer Health Tax (EHT):** will be an annual payroll tax that will apply to Employers beginning January 2019.
- **Front-line ECE:** an ECE who works 20 hours or more per week in Direct Care of children OR who spends 50% or more of their working time in Direct Care of children in a Licensed child care setting.
- **Good standing:** The ECE holds a valid ECE Certificate issued by the Director of the ECE Registry that is not suspended, cancelled, or expired.
- **Licensee:** defined under the *Community Care and Assisted Living Act*, means a person, including an aboriginal governing body however organized and established by aboriginal people within their traditional territory in British Columbia, that holds a licence; This includes a sole proprietor, a partnership, Registered Company, public institution (college/university), local government, or non-profit Organization.
- **Licence:** defined under the *Community Care and Assisted Living Act* means a medical health officer has issued to an applicant a licence to operate a community care facility and specified in the licence the types of care that may be provided.
- **Licensed Child Care Facility:** means a premise that holds with a valid Community Care Facility licence issued under the *Community Care and Assisted Living Act*, operating a care program as defined under Section 2 of the CCLR.
- **Organization** – considered the Contractor under CCOF and serves as the authorized signatory.
- **Retroactive Period:** the period from September 1, 2018 through December 31, 2018, for which eligible Front-line ECEs may receive a one-time-only payment in recognition of hours worked at an eligible Licensed Child Care Facility, so long as they are in the employ of the facility as of January 15, 2019.
- **Statutory Benefits:** the Employer's cost of the statutory group benefits associated with the increased wages provided as a result of this WE funding. Statutory group benefits include:
  - Employment Insurance (EI);
  - Canada Pension Plan (CPP);
  - Worker Compensation;
  - Statutory Holiday Pay;
  - Vacation Pay; and
  - Such other benefits as may be statutorily imposed during the term of the contract period.
- **Universal Child Care Prototype Site:** A child care facility that has entered in to contract with MCFD to participate in the Universal Prototype program – starting in fall of 2018.

### III. Eligibility Criteria

Receipt of the ECE WE and/or the retroactive component is dependent upon the following three factors, which are described in further detail in the subsequent sections and outlined in Figure 3:

1. Child care organization eligibility
2. Organization's facility/facilities eligibility; and
3. Child care staff (employed by the organization/facility) eligibility.

**Figure 3: Eligibility Criteria for the ECE-WE**



#### Organization Eligibility

Participation in the ECE WE Initiative is voluntary for Organizations. In order for staff to receive the ECE WE, an Organization must apply for the initiative (for each of the Organization's eligible facility) by submitting an ECE WE Application Form (and if they want to be receive the retroactive component, the application must be received on or before December 31, 2018) and meet the following criteria:

- Be a Licensed Child Care Facility under the CCALA;
- Be in receipt of CCOF;
- Have opted in to the ECE WE; and
- Have agreed, under contract, to transfer the funding to eligible employees through wages and Statutory Benefits.

#### Facility Eligibility

Organizations may have a single facility which delivers licensed child care (e.g. Licensed Family Child Care provider, etc.), or may have multiple facilities delivering licensed child care in a variety of settings.

In order for staff working at each facility to be eligible for the ECE-WE, the organization must meet the eligibility criteria outlined in the previous section, and the facility must meet the following criteria:

- Have been approved to opt into the CCFRI if it is eligible to do so, OR be approved as a Universal Child Care Prototype Site. Please note that:
  - Front-line ECEs at CCFRI-ineligible facilities (e.g., Licensed Preschools, Licensed School Age (Grade 1+)-only facilities, Aboriginal HeadStart programs, etc.) are also eligible for the ECE WE.
  - Front-line ECEs at facilities that offer a combination of CCFRI-eligible and -ineligible child care programs are also eligible for the ECE WE, as long as their Employer has enrolled the eligible care programs in the CCFRI.

If a facility is no longer approved or otherwise permitted to participate in CCOF, the CCFRI, or the Universal Child Care Prototype Site initiative, ECEs working at that facility will no longer be eligible for the ECE WE. A facility that has opted in to the ECE WE cannot opt out during the length of their current contract period.

Once an Organization applies for its eligible facilities to enrol in the CCFRI, the Organization's ECE WE Application Form (for the Retroactive Period and/or the ECE WE) will be back-dated to the 1<sup>st</sup> of the month in which they applied for the CCFRI or the ECE WE (whichever is later), as long as their application is received on or before the 20<sup>th</sup> of the month.

- For example, if the facility did not opt-in to CCFRI until November 19, 2018, the ECE WE payment would be for eligible Front-line ECE hours worked between November 1, 2018 and December 31, 2018, rather than between September 1, 2018 and December 31, 2018.

Facilities approved as Universal Child Care Prototype Sites will have already entered into the Universal Child Care Prototype Sites by or shortly after the commencement of the Retroactive Period and will therefore not be subject to the above qualification.

Facilities **ineligible** to participate in the ECE WE include, but are not limited to:

- Facilities whose Organization has not signed a CCOF Funding Agreement;
- Facilities that provide a type of child care that is eligible for the CCFRI, that have not been approved for CCFRI;
- Facilities with a licence issued under the *Community Care and Assisted Living Act* that has been suspended or cancelled;
- Facilities for which a court has granted a bankruptcy petition or appointed a trustee for the facility;
- Facilities that have ceased operations; and/or
- Facilities with no Front-line ECEs.

## Child Care Staff Eligibility

Eligible ECEs must work in a Front-line capacity (see Definitions, Section II), and:

- Have a valid ECE certification and be in Good Standing (see Definitions) with the Provincial ECER; and
- Be directly employed by a Licensed Child Care Facility or be the Employer/Licensee of the facility/Organization that is in receipt of CCOF and that has been approved to opt in to both the CCFRI (if eligible to do so) and ECE WE (see Facility Eligibility for more information).

## Notes:

- Front-line ECEs working at Universal Child Care Prototype Sites that were approved to opt in to the ECE WE are eligible to receive the ECE WE.
- Front-line ECEs working as substitutes or on a casual basis are also eligible to receive the WE as long as the staff person meets the eligibility criteria.
- Eligible ECEs will receive the ECE WE, including any retroactive component, for hours worked with their current Employer only (e.g. their Employer as of January 15, 2019).
- In order for a Front-line ECE to receive the ECE WE for the Retroactive Period, their current Employer (e.g. their Employer as of January 15, 2019) must have applied for the ECE WE prior to December 31, 2018 and tracked and submitted their hours worked during the Retroactive Period.
- For the Retroactive Period, ECE WE will be issued in recognition of hours worked with the ECE's current Employer (i.e., their Employer as of January 15, 2019); hours worked with past Employers during the Retroactive Period will not be eligible for the retroactive component of the ECE WE. For more information on reporting hours worked during the Retroactive Period, please see Section VI, Reporting Requirements and Process.

Individuals and staff types **ineligible** to receive the ECE WE include, but are not limited to, the following:

### Non-front line staff:

- Kitchen staff
- Bookkeepers
- Administrative assistants
- Maintenance staff
- Board members
- Drivers
- Owner/operators of a facility/Organization who are not Front-line ECEs

### Other staff:

- Staff working as "Responsible Adults" as defined under the Child Care Licensing Regulation who don't hold an active ECE certificate
- ECEs working as Supported Child Development (SCD) Consultants (these staff are not employees of the child care operators; they work for the SCD agencies)
- Employees certified as an ECE Assistant
- Volunteer staff

Please note that while government recognizes that ECE Assistants are important to the sector and support the overall provision of quality care, at this time eligibility for the ECE WE is restricted to certified ECEs.

## **Online validation of ECE Certificate**

Section 19 of the Child Care Licensing Regulation (CCLR) states that a Licensee must not employ a person in a community care facility as an educator or an assistant unless the person holds a certificate issued by the director of the BC ECER under Division 2 of Part 3 of the CCLR. The Licensee is also required to verify this certificate using a system established and maintained by the director of the ECER.

In order to meet this requirement, Employers/Licensees can use the Government's online ECE Certificate Validation tool:

[https://earlychildhoodeducator.gov.bc.ca/Public/CertAndRenewal/Certificate\\_Validation.aspx](https://earlychildhoodeducator.gov.bc.ca/Public/CertAndRenewal/Certificate_Validation.aspx)

To do so, Employers/Licensees will require the last name, registration number and expiry date of each employee's certification. If you do not have this information on file, please have your employees provide you with a copy of their certificate.

## **Unionized Facilities**

Approved Organizations/facilities with unionized Front-line ECEs are also eligible to receive the ECE WE provided they indicate to the Ministry they have reached an agreement with their unions to amend their collective agreements in order to implement the ECE WE.

In some instances, recently ratified collective agreements have set out a process for ECEs whose wages are set through local side agreements to access the ECE WE. For those unionized ECEs whose wages are set through the sector-wide classification and wage grids, their provincially-funded Employers will not have access to the ECE WE. In these cases, however, Government's Low-Wage Redress funding will support ECE wage adjustments that exceed those available through the ECE WE program.

## **IV. Wage Enhancement Funding Amounts**

The ECE WE will provide a wage increase to eligible Front-line ECEs of \$1.00 per hour worked, effective January 2019 (including a retroactive component for hours worked during the Retroactive Period), increasing to \$2.00 per hour worked effective April 1, 2020 and thereafter (not including the Administrative Funding provided to offset Employer costs of Statutory Benefits). Organizations will need to renew their CCOF funding agreements with the province on an annual basis in order for the Organization's eligible facilities to receive the ECE WE.

The ECE WE will be paid to Front-line ECEs based on the total number of eligible hours worked in a month up to a maximum of 195 hours per month (including any overtime hours worked). This monthly maximum applies to the months of the Retroactive Period as well. Front-line ECEs paid a salary/non-hourly will also be paid based on reported hours worked.

Front-line ECEs working in more than one eligible facility or Organization will also be eligible for the ECE WE for their hours worked at each such facility or Organization up to a combined maximum of 195 hours per month.

Notes:

- ECE WE funding to Front-line ECE Employees is subject to standard deductions for income tax and Statutory Benefits (see Definitions).
- The ECE WE is paid for hours worked; therefore, hours of sick time and unpaid leave, including maternity/paternity leave and long-term disability leave, are not eligible for the ECE WE.
- The hours an eligible Front-line ECE spends **solely** in the Direct Care of **their own** children are *not* eligible for the ECE WE.

Please note that the amount of Front-line time reported as eligible for ECE WE funding, and the funding received, must be commensurate with the facility’s licence type, including the number of ECEs employed and facility’s hours of operation. Facilities requesting a high amount of ECE WE funding relative to ECEs employed and operating hours will be contacted by the Ministry for more information.

### Additional Benefits Funding

1. MCFD is funding 17.6% for mandatory benefits, which includes five categories shown in the table below. The WE is considered income and therefore all statutory deductions apply.

Employer Contributions	Benefits payable by Employer to eligible Front-line ECEs
<i>Note: this portion of the benefit funding covers the Employer’s costs. It is not to be distributed as payment to Front-line ECE staff</i>	<i>Note: this portion of the benefit funding is payable to Front-line ECE staff</i>
<ul style="list-style-type: none"> <li>• CPP (Canada Pension Plan), funded at 4.95% for the Employer contribution portion</li> </ul>	<ul style="list-style-type: none"> <li>• Vacation Pay, funded at 5% of gross pay</li> </ul>
<ul style="list-style-type: none"> <li>• EI (Employment Insurance), funded at 2.33% for the Employer contribution, which is 1.4 times the employee contribution</li> </ul>	<ul style="list-style-type: none"> <li>• Statutory Holiday Pay, funded at 4%, representing the following 10 days: New Year's Day, Family Day, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day and Christmas Day</li> </ul>
<ul style="list-style-type: none"> <li>• Workers Compensation Board (WCB) funded at 1.29%. WCB is option for certain Employers. Employers who do not pay WCB may reimburse their workplace insurance costs.</li> </ul>	

**Note:** The above categories are defined as mandatory Statutory Benefits; however the Organization and/or facility may have a benefit surplus if the workplace insurance is at a lower rate than WCB. Organizations/facilities may use any remaining benefit funding for salaries or to fund additional benefit expenses, additional vacation/statutory holidays, etc. Other changes to Employer paid but non-Statutory Benefits, such as extended health, dental etc., are not covered through the WE.

2. MCFD is also providing funding to offset any increase in the [Employer Health Tax \(EHT\)](#) associated with the WE, if applicable. The EHT is an annual payroll tax that will apply to some Employers beginning January 2019.

Further information on reimbursement for the EHT will be forthcoming; however, it is expected that Employers seeking reimbursement for any ECE WE-associated EHT increase will be required to provide the following documents:

- a copy of their EHT tax return; and
- a Notice of Assessment showing the Employer has paid their EHT balance in full.

## V. Application Process

### Opt-in for CCOF/CCFRI Recipients

Organizations that already have a CCFRI (if eligible)/CCOF funding agreement or a Universal Child Care Prototype Site Contract may submit an application (for each eligible facility) for the ECE WE Initiative. Please note, in order to be considered for the Retroactive component of the ECE WE, Organizations must submit an ECE WE Application Form on or before December 31, 2018.

Once their application is accepted, Organizations will be requested to submit the information collected on their ECE WE Retroactive Period Tracking Tool in January 2019 and will either:

1. Enter into a supplementary CCOF agreement with the province for the ECE WE effective January 1, 2019 up until their current CCOF funding agreement expires on March 31, 2019, at which point, the ECE WE will be delivered as part of the renewed CCOF funding agreement; or
2. Accept an amendment to their Universal Child Care Prototype Site initiative contract to allow for ECE WE funding to be distributed.

MCFD will start payments to eligible facilities in early 2019, subject to application dates and processing times, including any eligible retroactive payment for hours worked between September 1 and December 31, 2018. Payments will be distributed on an ongoing monthly basis (e.g. payment for hours worked in January 2019 will be provided in February 2019).

### Facilities offering child care programs that are eligible for the CCFRI

Eligibility for the ECE-WE is determined on a facility basis, similar to the CCFRI. As such, if an Organization's facilities are eligible for the CCFRI, they must be approved for the CCFRI in order to apply for the ECE-WE. Facilities are considered eligible for CCFRI if they provide care to children in the "Under 36 months" and/or "3 years to Kindergarten" CCOF categories and charge parent fees. Facilities which do not provide care to these age groups or do not charge parent fees are considered ineligible for CCFRI.

**Example 1:** Organization A has three facilities (Facility 1, 2 and 3). Facilities 1 and 2 are eligible for the CCFRI, and Facility 3 is not. Organization A must have enrolled Facilities 1 and 2 in the CCFRI in order for the Organization to apply for these facilities to receive the ECE-WE. Facility 3 is not eligible for the CCFRI, and therefore is eligible to apply for the ECE-WE.

**Example 2:** Organization B has two facilities (Facility 1 and 2). Both Facility 1 and 2 are eligible for the CCFRI; however, only Facility 1 has been approved to enrol in the CCFRI. As such, only

Facility 1 is eligible to receive the ECE-WE, and Facility 2 is ineligible. The Organization can only apply to enrol Facility 1 in the ECE-WE.

## Opt-in for CCFRI-ineligible facilities

Front-line ECEs at CCFRI-ineligible facilities (e.g., Licensed Preschools, Licensed School Age (Grade 1+)-only facilities, Aboriginal HeadStart programs, etc.) may also be eligible for the ECE WE. Organizations with facilities that offer a licensed child care program that is not eligible for the CCFRI may submit an application to enrol said facility in the ECE WE.

Note: In order to be eligible for ECE WE funding **for the Retroactive Period**, Organizations must submit an ECE WE Application Form (for each eligible facility) to the Ministry on or before December 31, 2018 and be deemed eligible by the Ministry to enrol, and then submit information on ECE hours worked during the Retroactive Period in January 2019. More information regarding how to apply and submit staff hours for the Retroactive Period will be provided to eligible facilities in fall 2018.

## VI. Reporting Requirements and Process

Once approved to enrol in the ECE WE, Organizations will be required to report on an ongoing basis to confirm the number of Front-line ECEs working directly with enrolled children at each approved facility, as well as the number of hours worked by each ECE. For the Retroactive Period, the Ministry will provide Organizations with an ECE WE Retroactive Period Tracking Tool to assist in recording and reporting staff hours worked between September 1, and December 31, 2018 (at each approved facility). Both the ECE WE Monthly Tracking Form (for hours worked January 1, 2019 and forward) and the ECE WE Retroactive Form (for hours worked between September 1 and December 31, 2019) will collect the following information:

- Facility Name
- CCOF Organization ID #
- CCOF Facility ID #
- ECE Name
- ECE Registration #
- ECE Certificate Expiry Date
- Current hourly wage, OR if salaried, estimated hourly wage
- Total number of hours worked (including overtime)

### Ongoing reporting

Claims for the ECE WE will be submitted after staff hours/days have been worked, and are to be reported monthly. A facility may submit a request for payment after the last day of the applicable month and must submit a report for such payments by the 15<sup>th</sup> of the immediate following month (e.g. for payment for February 2019, reported hours must be submitted by March 15<sup>th</sup>, 2019). Organizations will not be required to pay staff the ECE WE funding in advance of receiving the funding from the Ministry.

### Retroactive Period reporting

The ECE WE includes a retroactive component in recognition of hours worked by eligible ECEs between September 1, 2018 to December 31, 2018. The information indicated under Section VI will also be required to provide ECE WE for hours claimed during the Retroactive Period. A Retroactive Period Tracking Tool will be provided in September 2018 to assist providers in tracking and reporting hours worked during the Retroactive Period.

Please note, in order for payment to be issued **for the Retroactive Period**, organizations must submit an ECE WE Application Form on or before December 31, 2018 for each eligible facility, and report the eligible ECE hours worked by current employees as recorded on their Retroactive Period Tracking Tool, in early 2019 (final submission date will be confirmed closer to implementation). For the purposes of the Retroactive Period, "current employee" means an ECE employed at the facility during the Retroactive Period that are still employed at the facility as of January 15, 2019, including employees that worked during the Retroactive Period and subsequently went on approved leaves such as maternity/parental leave.

Facilities participating in the Universal Child Care Prototype Site initiative will report out through a modified version of their monthly reporting template. The same information will be captured through that process.

Further details regarding reporting requirements and process will be forthcoming. However, the following guidelines will assist Organizations in tracking hours worked at each eligible facility starting in September 2018:

- All hours worked by eligible Front-line staff in eligible facilities are to be tracked and recorded.
  - For the **Retroactive Period**, facilities should track staff hours for all eligible staff, including on-call/casual staff, that are in their employ during the Retroactive Period; however, facilities will only be required to report staff hours for current employees (e.g. employed by the Organization as of January 15, 2019), including employees that worked during the Retroactive Period and have subsequently gone on approved leave (e.g. maternity, etc.) as of January 15, 2019. If the ECE is no longer on the payroll in January 2019, the Employer is not required to submit these hours, or provide a retroactive payment to these ECEs.
  - **Beginning January 2019, for ongoing reporting**, Organizations should track and report staff hours at each eligible facility for all eligible staff that worked any hours in the reporting period (e.g. each month), including on-call/casual staff.
- The maximum number of hours per ECE for which the ECE WE will be paid (including any overtime hours worked) is 195 hours per month (including during the Retroactive Period).
- Hours of sick time and unpaid leave, including maternity/paternity leave and long-term disability leave, are not eligible for the WE (including during the Retroactive Period) and should not be reported as hours worked.

- Statutory holidays should not be reported on the reporting form, as these hours will already be compensated through the 17.6% provided to offset mandatory Statutory Benefits.
- While earned vacation time is eligible for the WE, it should not be tracked and reported on the form if the employee is not at work for those hours. Depending on the practice in each facility, Organizations should report vacation time in one of the following two ways:
  1. Organizations may pay employees a percentage of their gross wages instead of paid vacation leave. **In this case, report all hours worked as usual**; WE will be paid on the hours, and a portion of the 17.6% additional funding provided to the facility covers the cost of additional vacation pay to these employees.
  2. Organizations may give employees vacation as time off with full pay. **In this case, do not claim hours on reports for the time eligible employees are away on paid vacation; only claim hours for time actually worked**. WE funding for this vacation time is included in the Administrative Funding for mandatory Statutory Benefits paid to your facility. The provider will use that portion of the 17.6% additional funding provided to provide the employee the WE for the hours they are on paid vacation. In this way, eligible employees do not receive a lower pay rate when they take earned paid vacation leave.

Monthly hours worked by eligible ECEs must be documented on staff attendance records and kept by approved Organizations for verification and audit purposes for such period as may be determined under the ECE WE contract provisions.

### Consents for Participation and Reporting

Organizations should ensure their employees are aware of the Organization's participation in the ECE WE. Employer requirements and obligations regarding the collection, sharing, and reporting of personal and employment-related information as listed in Section IV are being determined. Further information will be provided to Organizations closer to the ECE WE program implementation date.

### VII. Disbursement of Funding

ECE WE funding will flow from the MCFD to eligible Organizations through a supplementary CCOF funding agreement with the Province (for the period of January 1, 2019 through March 31, 2019, and thereafter as part of their standard CCOF funding agreement) or through Universal Child Care Prototype Site Contracts, as the case may be, and Organizations are required to disburse the ECE WE amount to their eligible ECE Employees.

### Approved Organization's Responsibilities

Organizations must pay the ECE WE to eligible front-line ECEs within 30 calendar days of receipt of funding. Organizations should take measures to ensure they make their eligible Front-line ECEs aware the ECE WE is a discretionary payment made by MCFD, rather than an ongoing wage increase provided by their Employer and that it is subject to decrease/increase or discontinuance at the MCFD's sole discretion.

Additionally, approved Organizations should clearly indicate the ECE WE funding is being provided as a separate amount from their regular wage or salary. The Ministry recommends Organizations either input the ECE WE as a separate line on eligible employee pay stubs, or issue as a separate payment labeled "Provincial Child Care ECE Wage Enhancement [Month]". Organizations may include an ECE WE payment amount monthly or on each paycheque, in order for Front-line ECE Employees to be able to easily reconcile their ECE WE payments against their hours worked.

The ECE WE may not be used to replace wages that would normally be paid to an ECE by their Employer, nor may it be used to replace scheduled increases. The ECE WE must be distributed over and above the regular hourly wage of the employee.

Organizations must use the ECE WE funding to:

- Enhance the regular wage and Statutory Benefits of eligible Front-line ECEs; and
- Pay eligible Front-line ECEs for hours worked, up to the maximum allowable hours per month.

Organizations must NOT use the ECE WE funding to:

- Lessen the wage rate paid to Front-line ECEs;
- Replace the planned wage increases by the Organization/facility that would generally be customary and that ECE staff would reasonably expect;
- Pay employees for days/hours of sick leave, maternity leave, or other paid leave of absence, other than earned vacation time as permitted and set out in these Funding Guidelines; and/or
- Pay an Organization's owner/operator for hours worked when the owner/operator's own children were the only children in attendance.

Organizations participating in the ECE WE are accountable for how the ECE WE funding provided is disbursed under the terms of their funding agreement(s) with MCFD. If it is determined that funding was disbursed in error or based on incorrect information provided by the Organization and/or facility, the Ministry reserves the right to require the Organization to reimburse funding that was not distributed in accordance with the funding requirements and/or under the terms of the Organization's funding agreement(s) with MCFD. If an investigation determines that an Organization has made a fraudulent claim, it may impact the Organization's good standing with the Ministry and subsequent eligibility for CCOF/CCFRI or the Universal Child Care Prototype Site initiative.

## **VIII. Monitoring and Verification Processes**

Organizations participating in the ECE WE are accountable for how the WE funding provided is disbursed under the terms of their funding agreement(s) with the Ministry. As such, MCFD reserves the right to audit an Organization and/or facility at any time to ensure ECE WE funds are spent in accordance with the instructions outlined in this funding guidelines document and any ECE WE contractual provisions to which the Organization is bound. Should MCFD decide to audit a facility and/or Organization, the facility and/or Organization must participate in the audit process. If a facility and/or Organization does not

cooperate, MCFD can withhold or discontinue ECE WE funding for the Organization and/or facility, and require the Organization to reimburse funding that was not distributed or accounted for in accordance with the funding guidelines and/or the Organization's funding agreement(s) with the Ministry.

Organizations are required to maintain and keep records verifying the amount of ECE WE funding that was received and distributed to individual eligible Front-line ECEs at their facility/facilities, as well as records to support all hours and ECE WE funding claimed on the facility's monthly reporting form. The required records include but are not limited to:

- Verification of valid ECE certification for all ECEs receiving the ECE WE;
- Hard copy of signed and submitted ECE WE Initiative application;
- Copies of monthly reporting documents/forms indicating staff persons and ECE WE hours claimed;
- Staff schedule and/or staff attendance records;
- Records for funding received and payments made to staff;
- Records documenting receipt of funding by eligible Front-line ECE staff for whom funding was claimed; and
- Staff payroll records including T4s and T4As

MCFD may request that these, and other, documents be provided by the Organization for the purpose of conducting verification and audit on any or all of the Organization's approved facilities.

In the case of a discrepancy in an ECE WE payment, MCFD recommends that all Front-line ECEs in receipt of the ECE WE retain copies of their paystubs.

## IX. For More Information

Organizations and ECE Employees can obtain further information about the eligibility, application for, and distribution of the ECE WE by consulting these Funding Guidelines and other communications material (web site, FAQs, etc.), or by contacting the CCOF Program:

**Office:** 250 356-6501 (Greater Victoria)

**Toll free:** 1 888 338-6622 (option 2)

**Email:** [mcf.ccof@gov.bc.ca](mailto:mcf.ccof@gov.bc.ca)

**Mailing:** PO Box 9965 Stn Prov Govt, Victoria BC V8W 9R4

**Fax:** 250 953-3327

For questions **related to ECE certification and renewals**, please contact the ECE Registry at:

**Office:** 250 356-6501

**Toll-free:** 1 888 338-6622

**Email:** [ECERegistry@gov.bc.ca](mailto:ECERegistry@gov.bc.ca)

**Mailing:** PO Box 9961 STN PROV GOVT Victoria BC V8W 9R4