

# Child Care WAGE\$® TENNESSEE

## Fact Sheet



### What is Child Care WAGE\$® TENNESSEE?

Child Care WAGE\$® TENNESSEE provides education-based salary supplements to low paid teachers and family child care educators working with children ages birth to five years old. The program is designed to increase retention, education and compensation. Child Care WAGE\$® TENNESSEE is funded through the Tennessee Department of Human Services. It is administered by Signal Centers.

### Who is eligible to receive a salary supplement?

Any child care professional earning at or below the income cap of \$20 per hour may be eligible to participate. Bonuses received from the employer will be included in the calculations to determine hourly rate. The supplement recipient must work with children ages birth to five at least 10 hours a week in a TDHS licensed child care program and must have a level of education appearing on the Child Care WAGE\$® TENNESSEE supplement scale (see reverse for eligible education levels).

### How much will I receive?

Salary supplements are tied to the recipient's level of education. The scale shows annual award amounts for full-time eligibility. Awards are issued in two six-month payments, each after the participant completes an assigned six-month commitment period in the same child care program. The amount received will reflect the schedule worked during the six-month period; supplements for part-time employees are prorated based on a 40-hour work week.

### What do I have to do to participate in Child Care WAGE\$® TENNESSEE?

Interested child care professionals must submit a completed Child Care WAGE\$® TENNESSEE application, pay documentation and official transcripts. See the application for further details.

### How are supplements received?

Checks are issued following the commitment period completion to eligible participants who have met the requirements. Commitment periods run from mid-month to mid-month and are established by Signal Centers for each individual participant using application date, start date and education documentation. Payments are based on half the annual award amount and reflect the schedule worked during the six-month period. All payments are contingent upon funding availability. Program staff must verify that participants have worked in their child care programs during the preceding six months before checks can be issued. Payments are mailed after Signal Centers has received the necessary funding from the Tennessee Department of Human Services. Once approved for an award, participants who remain in the same child care program and obtain the necessary education (if applicable) do not need to reapply to receive future payments. Programs that operate less than twelve months will have their assigned six-month commitment period adjusted based on months worked.

### How can I increase the level of supplement I receive?

Participants in Child Care WAGE\$® TENNESSEE may increase their supplement amounts by gaining more education. Participants are encouraged to send Child Care WAGE\$® TENNESSEE an updated official transcript after the completion of any formal coursework so staff can determine the highest possible award. All education levels with an asterisk on the scale are temporary. Participants must advance to a higher level as noted on the scale to remain eligible. Deadlines are shared with individual participants as applicable.

### Do I have to pay taxes on the supplement I receive?

The salary supplement is income. Participants will receive an IRS-1099 form at the end of the year if they receive \$600 or more from Signal Centers during the calendar year. Recipients are responsible for reporting and paying any personal income taxes due.

### Will I receive a supplement if I move to another child care program?

Checks are issued to participants after each six-month period in the same child care program. If a participant moves to another licensed child care program within the six months, then the commitment period must be reset based on the reapplication and employment date at the new site. This policy is designed to encourage more stability for the children in care.

### If I work in a child care center, what is the center's responsibility?

A child care center must agree to provide verification of an applicant's employment status and income and agree not to use participation in the program to offset normal pay increases. The center is not responsible for providing the salary supplement should the funding no longer be available.