



**MINISTRY OF CHILDREN AND YOUTH SERVICES**

Capital and Accommodation Services Branch

**REQUIREMENTS FOR DEVELOPING  
BEST START  
INFRASTRUCTURE PROJECTS**

**FOR  
CONSOLIDATED MUNICIPAL SERVICES MANAGERS  
(CMSMS)  
AND  
DISTRICT SOCIAL SERVICES ADMINISTRATION  
BOARDS (DSSABS)**

July 2005



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**A GENERAL**

**I About the Manual**

The “Requirements for Developing Infrastructure Projects for Consolidated Municipal Services Managers (CMSMs) and District Social Services Administration Boards (DSSABs)”, outlines the Ministry of Children and Youth Services infrastructure planning process, policies and procedures for the development of approved infrastructure projects.

**Purpose**

The purpose of this document is to provide Ministry staff with information to assist CMSMs/DSSABs in the development and implementation of an infrastructure project.

**Inquiries**

All inquiries, suggestions, comments etc. from Ministry staff should be directed to the Capital and Accommodation Services Branch (CASB) of the Ministry of Children and Youth Services.

## **II Purpose of Infrastructure Funding**

Infrastructure funding is provided for the purpose of acquiring appropriate accommodation in which to operate a not-for-profit, licensed child care program and can be used to:

- Purchase a site for the purpose of constructing a new building or expanding an existing building.
- Purchase and renovate a building.
- Renovate and/or expand an existing service provider owned building.
- Renovate space secured by a long-term lease. (e.g. 20 years)

### **III Government and Ministry Direction**

The Ministry of Public Infrastructure Renewal (MPIR) is the central agency responsible for providing a broad framework for planning and coordinating the government of Ontario's investment in public infrastructure and affordable housing in the province. MPIR works closely with other Ontario ministries to develop policy and plans for growth and strategic investments that will meet the needs of a growing population and economy.

MPIR's agenda for change includes:

- Planning for growth.
- Rebuilding and restoring Ontario's infrastructure through new investments, guided by a strategic policy framework.
- Renewing Ontario's water and wastewater infrastructure.
- Increasing affordable housing.
- Establishing partnerships with all levels of government and with the private sector to plan, finance and deliver new infrastructure.

Government and Ministry direction, as it relates to infrastructure planning, is critical to the selection of programs and specific projects that will be supported. The Ministry will give clear direction on the funding priorities and funding availability.

For additional information, please visit MPIR's website at:

[www.pir.gov.on.ca](http://www.pir.gov.on.ca)

#### **IV Guiding Principles**

The government is developing a comprehensive and strategic long-term plan for growth and public infrastructure investments to meet social and economic priorities. This strategy will build stronger communities and improve the quality of life for the people of Ontario.

PIR developed the following principles to guide public infrastructure development in order to protect and promote the public interest. CMSMs/DSSABs or child care providers are required to pursue a balanced, pragmatic approach to infrastructure development and renewal based on these five principles:

1. The public interest is paramount.
2. Value for money must be demonstrable.
3. Appropriate public control/ownership must be preserved.
4. Accountability must be maintained.
5. All processes must be fair, transparent and efficient.

These principles must be considered and explicitly referenced in all infrastructure proposals. The Ministry of Children and Youth Services' Requirements for Developing Best Start Infrastructure Projects for the development of Ministry funded infrastructure projects adheres to the guiding principles set out by the Province of Ontario.

**V Ontarians with Disability Act, 2001**

In December 2001, the *Ontarians with Disabilities Act, 2001* (ODA) was passed into law. The purpose of the ODA is to improve accessibility for people with disabilities. This is done by developing, implementing and enforcing accessibility standards concerning accommodation, facilities and buildings. The legislation sets standards to address barriers resulting from physical, sensory, hearing, mental health, developmental and learning disabilities.

The Ministry of Children and Youth Services supports the efforts to make Ontario an inclusive and accessible province where its clients are able to fully participate in community life and achieve their potential. Through the Ministry's annual Accessibility Plan, accessibility planning considerations will be built into its business practices, including planning for infrastructure projects.

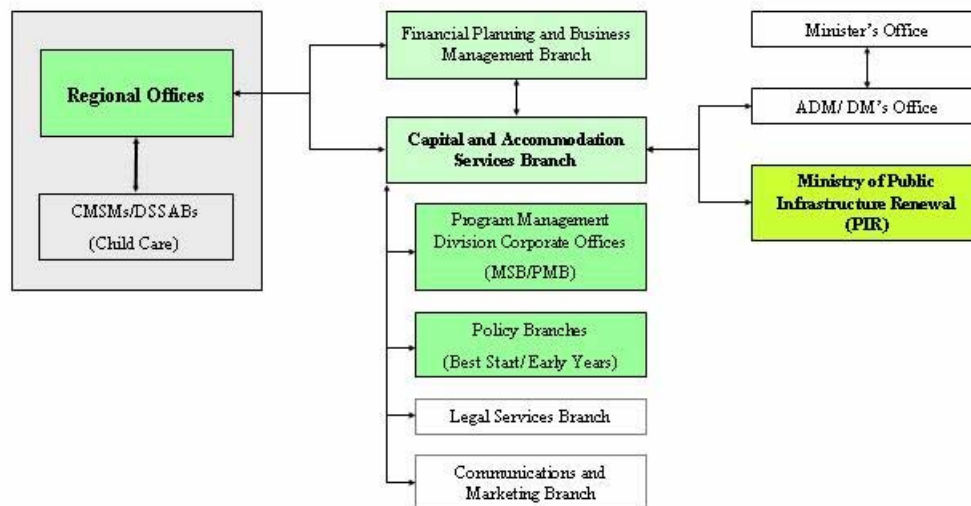
## VI Roles and Responsibilities

The Ministry, in partnership with CMSMs/DSSABs and its child care providers who deliver services to Ministry clients, each have an important role in the planning, development and implementation of an infrastructure project.

It is critical that everyone understands what their role is and it is strongly suggested that the roles and responsibilities as set out in Appendix A be reviewed by anyone who is using this document.

The following chart illustrates the relationships of CMSMs/DSSABs to the Ministry in Infrastructure Planning.

### INFRASTRUCTURE IMPLEMENTATION LINKAGES



Source: Roles and Responsibilities – Appendix A  
Tools:

## **VII Planning Context**

Best Start is the Ministry's plan for healthy development, early learning and child care during a child's first years. We want to help children in Ontario to be ready and eager to achieve success in school by the time they start Grade 1.

The Best Start Plan involves an expansion of quality and affordable child care and investments in children's healthy early development in convenient and easily accessible locations for parents. Licensed child care programs should be integrated and responsive to the unique needs of children and their families and the communities where they live.

Expansion of child care is one of many components of Best Start and therefore has to be done in conjunction with the Implementation Planning Guidelines. The expansion of child care is a component that is inter-dependent with the overall Best Start strategy and for that reason has to be done within the context of the Best Start vision and with the support of the local Best Start Networks. The Requirements for Best Start Infrastructure Projects for Consolidated Municipal Services Managers (CMSMs) and District Social Services Administration Boards (DSSABs) provides the necessary tools to assist the Ministry and CMSMs/DSSABs fulfill their obligations for the expansion of licensed child care spaces under Best Start.

Planning for the expansion of licensed child care will be done within a defined infrastructure funding allocation with corresponding service targets. The operating costs associated with the expansion of licensed child care will be planned for within a defined operating allocation. Both funding allocations are subject to the Ministry's Financial Business Practices.

**Source:** *Child Care Management Requirements*  
**Tools:**

## **VIII Introduction to Infrastructure Funding**

The Ministry of Children and Youth Services provides infrastructure funding to Consolidated Municipal Services Managers (CMSMs) and District Social Services Administration Boards (DSSABs) that fund, administer and deliver child care programs.

Infrastructure funding is provided to support government initiatives such as Best Start to increase capacity for child care spaces for children enrolled in Junior and Senior Kindergarten (JK and SK) and to address the need for moderate growth in the overall child care system for children 0 to 4 years of age.

A request for infrastructure funding should be developed in the context of a CMSM's/DSSAB's Child Care Service Plan. All plans will be reviewed by the Ministry's regional office and evaluated in relation to the short-term goals and long-term strategies. The Child Care Service Plan and corresponding Best Start Transitional Infrastructure and Best Start Child Care Infrastructure Plan must be approved by the regional office prior to project approvals.

**Source:**  
**Tools:**

## **IX Eligibility Criteria**

Through the CMSM/DSSAB, Infrastructure funding is available to non-profit child care service providers for the development of licensed child care spaces in non-profit child care programs. In order to receive Infrastructure funding, the child care provider must execute an Infrastructure Agreement with the CMSM/DSSAB.

Programs must demonstrate to the CMSM/DSSAB that they are financially viable and operationally sound.

Child care providers seeking infrastructure funding under the Infrastructure guidelines must also demonstrate to the CMSM/DSSAB that they:

- Meet the requirements for a contract for infrastructure funding and fee subsidies with the respective CMSM/DSSAB.
- Are financially viable (audited financial statements for two most recent fiscal years) and/or able to sustain the program in the future through a sound business plan (needs assessment in support of the proposal).
- Have the expertise, knowledge, skills and resources to implement all aspects of the infrastructure project.
- Are incorporated as a non-profit corporation and have included the 10 provisions in the letters patent where applicable. (See page 13)

**Source:**

**Tools:**

***Licensing – Chart of Responsibilities – Appendix G***

**X Not-for-Profit Status**

Programs licensed by the Ministry of Children and Youth Services in accordance with the regulations under the *Day Nurseries Act* and which are incorporated as non-profit and that meet the following requirements may be eligible to receive infrastructure funding under Best Start:

- Programs operated by municipalities.
- Programs incorporated under the auspices of a Church denomination or other religious organization.
- Programs operated under a special bill of the Ontario or Federal Legislature.
- Programs operated by Canadian Forces Bases and which are non-profit.
- Programs incorporated under the Ministry of Training, Colleges and Universities.
- Programs which are operated by a corporation without share capital to which Part III of the Corporations Act applies.
- Programs which are operated by a corporation that is incorporated under the Co-operative Corporations Act and that has articles providing that the corporation will be carried on without purpose of gain for its members.

## **XI Non-Profit Letters Patent Overview**

It is important as a risk management approach that non-profit child care providers have internal mechanisms to safeguard provincial infrastructure investments in the child care system. It is recognized that municipalities, churches and colleges and universities have internal structures in place to monitor the infrastructure investments, however smaller non profit programs will be required to amend their letters patent to further safe guard the public infrastructure investment.

Given the timeframe for amending the letters patent to include the 10 provisions set out in Section XII, Letters Patent Provisions, CMSM/DSSAB may proceed with the development of infrastructure projects for those programs that are in the process of amending their letters patent. Documentation should include a copy of the supplementary letters patent, approved by the members of the corporation and sent to the Ministry of Government Services for approval.

## **XII Letters Patent Provisions**

The following corporations will be required to amend their letters patent:

- Programs that are operated by a corporation without share capital to which Part III of the Corporations Act applies.
- Programs that are operated by a corporation that is incorporated under the Co-operative Corporations Act and that has articles providing that the corporation will be carried on without purpose of gain for its members.

The above mentioned non-profit corporations are required to include the following 10 provisions in letters patent:

1. The corporation shall have at least five directors.
2. No employee of the corporation may be a director of it.
3. The corporation shall not purchase goods or services from any director, officer or person related to a director or officer of the corporation unless there is only one available source of the goods or services within a reasonable distance of the day nursery.
4. The corporation shall not sell goods or services, other than child care services, to any director, officer or person related to a director or officer of the corporation.
5. The corporation shall not lend money to or borrow money from any director, officer or person related to a director or officer of the corporation.
6. The corporation shall not rent property to or from any director, officer or person related to a director or officer of the corporation.
7. The corporation shall not engage in any other transaction which may directly or indirectly confer a financial benefit on one of its directors.
8. The directors of the corporation shall serve as directors without remuneration but may be reimbursed for reasonable expenses incurred in the performance of their duties.
9. No director of the corporation shall directly or indirectly receive any form of money or money's worth as a result of his or her position as director.

10. Upon dissolution of the corporation and after payment of all of its debts and liabilities, the remaining property of the corporation shall be distributed or disposed of only to charitable or non-profit organizations which provide child care, which are beneficial to the community and which operate solely in Ontario.

For the purposes of paragraphs 3, 4 and 5 above, a person is related to a director or officer if:

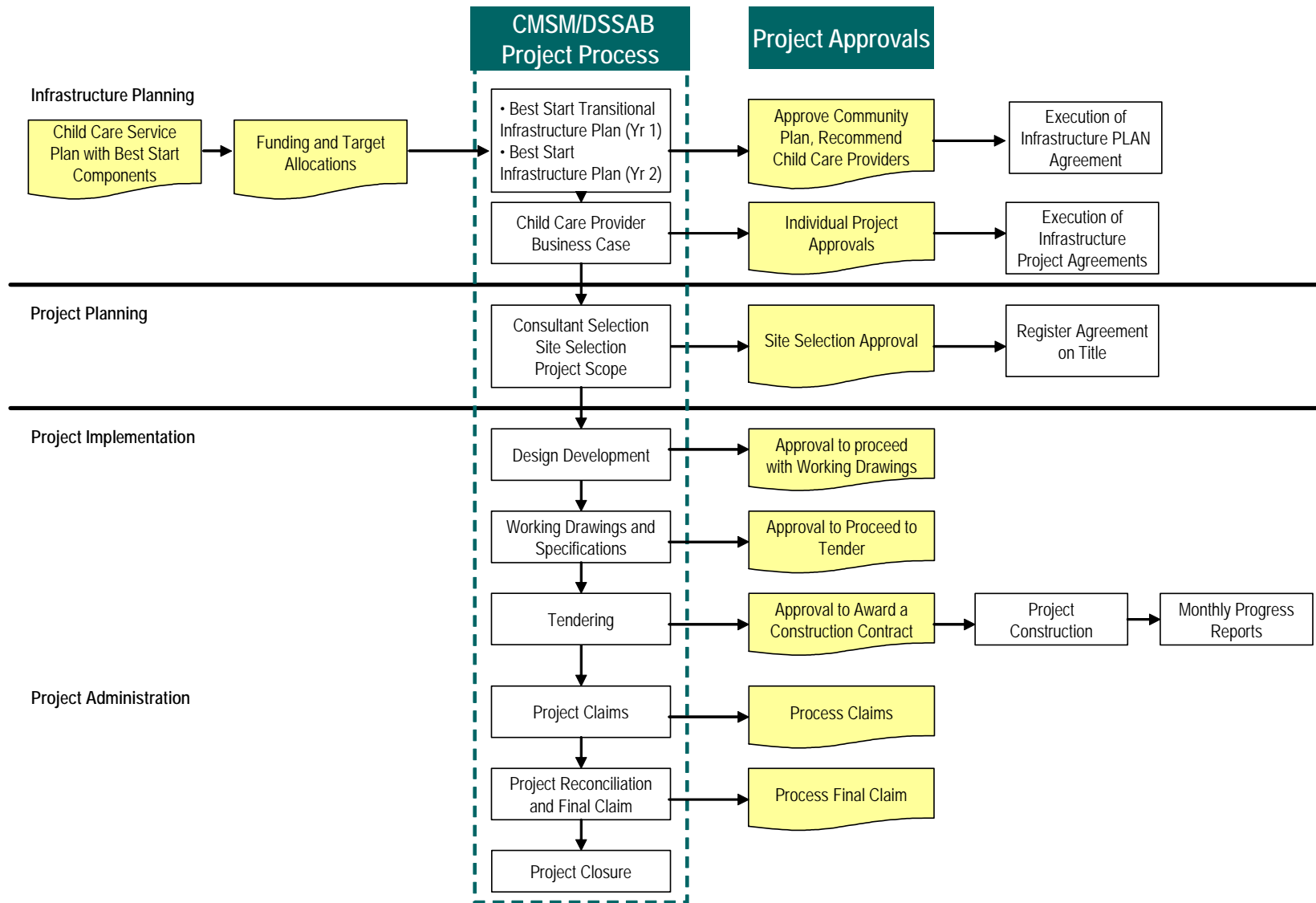
- a) the person is married to the director or officer;
- b) the person is living in a conjugal relationship outside marriage with the director or officer,
- c) the person is the son or daughter or mother or father of the director or officer;
- d) the person is a relative of the director or officer and they have the same home;
- e) the person is a corporation and voting securities in the corporation that together carry more than 10 per cent of the voting rights attached to all voting securities of the corporation outstanding at the time are beneficially owned directly or indirectly by any combination of:
  - (i) The director or officer,
  - (ii) Any of the persons referred to in clauses (a) to (d), and
  - (iii) The partner or the employer of the director or officer.

For information on ministry policy on disposition of ministry funded property, please refer to the Electronic Manual of Ministry Administration (EMMA) found on the Ministry intranet at:

<http://intra.mcys.gov.on.ca>

**Source:** *Child Care Management Requirements  
EMMA*  
**Tools:** <http://intra.mcys.gov.on.ca>

**B INFRASTRUCTURE PROJECT CYCLE**



## C BEST START INFRASTRUCTURE PLANNING PROCESS

### I Overview

The approach to Best Start in the first phase is an expansion of the child care system for children in JK and SK with moderate growth in the overall child care system for children 0 to 4 years of age. The province has allocated funds to support this growth.

Following the Schools First policy, Best Start proposes to build, wherever possible, on existing programs, services and physical infrastructure through renovations to expand child care spaces as well as moderate expansion of child care for children 0 to 4 years of age.

Within this funding allocation model priority is to be given to the JK and SK expansion.

CMSM/DSSAB in their role as service system managers have the necessary flexibility to address the overall child care needs of parents in their communities. Best Start is a long term vision that requires the support of the broader child care system in order for it to be successful and sustainable.

### Infrastructure Plan Assumptions

- Funding for infrastructure projects for the expansion of child care is part of a five year strategy. Infrastructure funding requirements are expected to peak in year 3, 2007/08 as projects proposed in 2005/06 and 2006/07 may not be fully operational until year 3.
- The provincial infrastructure allocation to the CMSMs/DSSABs will be allocated yearly to regional offices for distribution to the CMSMs/DSSABs.
- The CMSM/DSSAB, in conjunction with the local Best Start Networks and regional French-Language Best Start Networks, will plan for child care expansion within their allotment for infrastructure funding. The operating costs associated with the new child care spaces will be planned for within the operating allocation.

**Source:** *Child Care Management Requirements  
Schools First Policy – Appendix C*

**Tools:** *Infrastructure Project Checklist for CMSMs/DSSABs – Appendix I*

- Both a capital and operating budget will be included in the Best Start Child Care Infrastructure Plan. In some cases, expansion of child care can be done within the existing licensed child care system and operating funds may be the only requirement for expansion.
- Infrastructure funding can be included in the capital budget for built-in or fixed equipment that is identified as part of the project design.
- Infrastructure funding **cannot** be used to purchase vans or moveable furnishings, equipment and toys.
- Start-up funding through operating funding will be available to purchase some toys, furnishings and equipment.

### **Types of Plans**

Plans for the Best Start child care component will include mechanisms for expanding the JK and SK spaces as set out in the service contract funding allocations and provincial targets. As well, plans will identify the mechanisms for increasing the overall child care system for 0 to 4 year olds as set out in the Infrastructure Funding Agreement and provincial targets.

CMSM/DSSAB using the child care service planning process will develop a child care service plan incorporating the Best Start child care components. It is this child care service plan that will form the basis for the development of the Transitional Plan that addresses strategies for the increased licensed child care spaces and subsidies, special needs resourcing and wage subsidies for 05/06. The Transitional Plan includes the Transitional Infrastructure Plan and the Best Start Child Care Infrastructure Plan and associated operating plan.

CMSM/DSSAB will engage local Best Start networks and Regional French-Language Best Start networks in the development of the Best Start Transitional Infrastructure Plan as well as a Best Start Child Care Infrastructure Plan. The need for French language services will be incorporated into the CMSM/DSSAB Transitional Infrastructure and Child Care Infrastructure Plans.

Best Start networks and its members (including school boards and CMSMs/DSSABs) have a shared accountability for planning all services by working together to achieve the goals of Best Start. CMSMs/DSSABs have responsibility for the planning and implementation of the child care

**Source:** *School First Policy – Appendix C*  
**Tools:** *Implementation Planning Guidelines for Best Start Networks*

expansion component of Best Start. CMSM/DSSAB will work with the Best Start network to develop and integrate the Best Start Child Care Infrastructure Plan into the Phase 1 Integrated Implementation Plan which is a comprehensive implementation plan that outlines the community's vision for Best Start and its proposed multi year roll out. The Phase 1 Implementation Plan meets the local needs and needs identified through the Best Start Regional French-Language networks.

School boards participating on the Best Start network will work in partnership with the Best Start network and CMSM/DSSAB to make sure that their child care plan is consistent with the CMSM/DSSAB Child Care Service Plan including the Best Start Child Care components Phase 1 Integrated Implementation Plan.

CMSM/DSSAB will forward their Child Care Service Plan with their Transitional Plan (which includes the Transitional Infrastructure Plan) for municipal approval prior to submitting these plans to the MCYS Regional Office.

The Best Start Transitional and Transitional Infrastructure Plan will be shared with the local Best Start network. It is a key source of information used to inform the development of the Phase 1 Integrated Implementation Plan.

### **Schools First Policy**

***The Schools First Policy states that, “schools will be the first choice for the expansion of child care spaces as part of Best Start”.***

- All plans, Best Start Transitional Infrastructure Plan and Best Start Child Care Infrastructure Plan, must be developed within the context of the schools first policy.
- The plans must identify all sites where child care spaces could be added or developed in both the Transitional Plan (2005-2006) and the Best Start Child Care Infrastructure Plan (2006 onward).
- Consistent with the Schools First Policy, MCYS encourages the expansion of child care within the non-profit sector located in schools.

**Source:** *School First Policy – Appendix C*  
**Tools:** *Implementation Planning Guidelines for Best Start Networks*

## II Incorporating Best Start Child Care Components into CMSMs/DSSABs Child Care Service Plans

CMSMs and DSSABs develop and implement local Child Care Service Plans based on local community need following a planning process that engages Best Start Networks and regional French-Language Best Start Networks and includes community, child care providers, education, and other stakeholder participation. The Child Care Service Plan with the Best Start child care component will set the framework for the development of both the Best Start Transitional Infrastructure Plan in 2005/06 and the Best Start Child Care Infrastructure Plan for 2006 onward.

The Child Care Service Plans are updated annually and each covers a three-year period to facilitate the achievement of long-term goals. CMSM/DSSAB must build on their existing plans as a basis for the planning for the Best Start expansion of child care spaces. The child care components of Best Start will be incorporated into the 3-year plan and annual updates.

The updated child care component of Best Start can be built upon previously developed and approved Child Care Service plans. Using the existing components, CMSM/DSSAB will incorporate the Best Start components throughout the document creating one comprehensive planning document for the child care component of Best Start. The Child Care Service Plan with the Best Start components will be approved by municipal council and MCYS regional offices.

The final revised Child Care Service Plan with the Best Start child care components is a key source of information used by the local Best Start Network in the development of the Phase 1 Integrated Implementation Plan.

The Child Care Service plan incorporating the Best Start child care components will be fully approved, both municipally and provincially, by October 31, 2005.

The 2005 Child Care Management Requirements have been revised to reflect the Best Start Child Care components.

**Source:** *Child Care Management Requirements*  
**Tools:**

### **III Best Start Transitional Infrastructure Plan – 2005-06**

CMSM/DSSAB are required to develop a Best Start Transition Plan for 2005-06 that identifies mechanisms for expanding the JK and SK child care spaces and the child care expansion of the younger age groups.

#### **The Best Start Transitional Infrastructure Plan Components**

##### **General**

- An assessment of the need for child care during non-school hours for children in JK and SK within the community.
- An inventory of the community's current vacancies in the child care system for children in JK and SK and the number of new spaces that can be accessed for the Best Start expansion of child care for the younger age groups.
- Outline how the increased service levels for child care expansion will be completed within the infrastructure and operating allocation.

##### **Expansion Completed In-Year**

- Identify situations where expansion can occur within the year. This will include the filling of vacancies and/or renovations that can be completed within the year in order to assist in meeting the provincial targets for expansion.
- Identify the operating costs related to each project that includes the start up costs and ongoing operating costs.
- A plan for renovation projects that can be completed within the year to expand the current licensed capacity at a site.
- The number of programs/spaces that will receive fee subsidies by priority and date of implementation.
- For each site identify the number of new spaces and cost to renovate at each site.

**Source:** *Child Care Management Requirements*  
**Tools:**

### **Development for Expansion Beyond 2005-06**

- Identify:
  - Initial “soft” construction costs related to renovation and/or new construction projects that will be in the development phase in 2005-06 for construction in the subsequent year. These costs could include: surveys, permits, architect drawings etc.
  - The costs related to the purchase of land and/or buildings in 2005-06 and that will be constructed/renovated and operational in the following year 2006-07.
- Infrastructure plans may be included that are currently underway. However the CMSM/DSSAB must show that these plans demonstrate incremental growth from the established baseline.
- Include a work plan that identifies the infrastructure costs related to each project and the proposed date the site will become fully operational.

The Best Start Transitional Infrastructure Plan will be fully approved, both municipally and provincially, by October 31, 2005.

Data elements for reporting purposes will be identified in the service contract between the Ministry and CMSM/DSSAB.

### **IV Best Start Child Care Infrastructure Plan – 2006-07 to 2009-10**

The updated Child Care Service Plan, reflecting the Best Start child care component and the Transitional Plan, provides an overview of the child care needs and areas of growth required to meet the child care needs of families in the community. It is from this document that the Best Start Child Care Infrastructure Plan is developed.

The Best Start Child Care Infrastructure Plan is a multi-year plan that outlines the infrastructure needs for the renovation and new building requirements for the development of new spaces for 2006-07 and onward. CMSM/DSSAB with the local Best Start Network will integrate the Best Start Child Care Infrastructure Plan into the Phase 1 Integrated Implementation Plan.

**Source:** *Child Care Management Requirements*  
**Tools:**

The Best Start Child Care Infrastructure Plan will consist of plans to expand the child care spaces for JK and SK children as well as plans to identify the need for moderate growth in the overall child care system for children 0 to 4 years of age. Priority for expansion is for growth in the JK and SK licensed child care spaces.

CMSM/DSSAB will work in partnership with the Best Start Network in identifying where child care expansion can occur in conjunction with a neighbourhood early learning and care hubs. CMSM/DSSAB using their infrastructure allocation may include the construction cost related to the development of an early learning and care hub provided the overall targets for expansion can be actualized.

The expansion targets for the Best Start Child Care Infrastructure Plan will build on the growth created from the Early Learning and Child Care funding as well as the Best Start Transitional Plan for 2005-2006.

Wherever possible, CMSMs/DSSABs should look at strategies that maximize the funding available that will further assist in achieving the service targets for expansion.

### **Best Start Child Care Infrastructure Plan Components**

- A three-year workplan that summarizes the infrastructure improvements and new construction projects, budgeted costs and timelines for completion with the number of corresponding new spaces.
- Renovations in schools that expand the JK and SK licensed child care capacity.
- New child care spaces located in schools and the number of new spaces to be developed.
- If new child care spaces are not to be located in schools with JK/SK, then the plan must describe how the sites will be linked to the school programs. In some communities it may be more feasible to establish spaces in licensed private home day care agencies located in close proximity to schools.
- For each site indicate the number of new child care spaces that are to be added over the next three years.
- The estimated infrastructure cost to build or retrofit for each site and the expected completion date.
- Identify the operating costs, both start-up and ongoing operating, associated with each infrastructure project.

**Source:** *Child Care Management Requirements*

**Tools:**

- The number of spaces that will still be required to meet the community needs.
- Demonstrate in the plan how the increased service levels for child care expansion will be completed within the infrastructure and operating allocation.
- Identify the Best Start Network and membership list in order to demonstrate that local community participation informs the development of the plan.

The Best Start Child Care Infrastructure Plan with the Best Start Phase 1 Integrated Implementation Plan will be fully approved, both municipally and provincially, by December 31, 2005.

For details related to the data elements for reporting purposes for both the operating and infrastructure allocations see the 2005 Child Care Management Requirements.

**Source:** *Child Care Management Requirements*  
**Tools:**

## V Best Start Infrastructure Expansion Options

Following the Schools First policy, Best Start proposes to build, wherever possible, on existing programs, services and physical infrastructure through capital renovations to expand the child care system for both the JK/SK licensed spaces and the 0 to 4 licensed child care spaces.

The Best Start Transitional Infrastructure Plan will first identify vacancies and expand the system through the filling of vacancies in the current child care system for JK and SK children. CMSM/DSSAB may address the current vacancies to meet the need for moderate growth in the younger ages. The filling of vacancies should be prioritized in the following manner:

- Use vacant spaces within an existing licensed child care program currently located in a school.
- Use vacant spaces within an existing licensed child care program located within close proximity to a school.
- Use vacant spaces within a licensed home child care service provider within close proximity to a school.

### Creation of New Child Care Spaces

In areas where the existing vacancies in the child care system have been maximized, renovations and new construction of child care centres may be required to address the increase of child care spaces. Following the Schools First Policy, new child care spaces should be prioritized as follows:

- Create new child care spaces through renovations/retrofits in schools to provide licensed care options for children in JK and SK age groups as well as child care for children 0 to 4 years of age.
- Create new child care spaces for children in JK and SK as well as child care for children 0 to 4 years of age in new school buildings.
- Develop new child care spaces in an existing child care program or home-based child care service within or close proximity to a “neighbouring early learning and care hub”.
- Create new child care spaces within an existing licensed centre-based child care program and/or home-based child care service within close proximity to a school.
- Establish new child care facilities to provide licensed child care options within close proximity to a school and/or neighbouring early learning and care hub.

**Source:** *Child Care Management Requirements  
Schools First Policy – Appendix C*

**Tools:**

- Other arrangements that meet the requirements of the 2005 Child Care Management Requirements can be considered to address the local needs of communities: urban, rural, northern, Aboriginal etc., while consistency with the CMSM/DSSAB Child Care Service Plan and Best Start child care components, Schools First Policy, the local Best Start Network Phase 1 Integrated Implementation Plan. This arrangement would have to be approved by the MCYS regional office.

## **VI Best Start Expansion in New Schools**

The Ministry of Education has indicated that the infrastructure costs for child care spaces in newly constructed schools will be funded by the Ministry of Education through Grants for New Pupil Places. The Ministry of Education will pay for building the space, CMSMs/DSSABs will be responsible for the provision of funding for furnishing and equipment.

School boards planning for the construction of a new school with a child care program will work in partnership with CMSM/DSSAB and Best Start Networks to develop the proposal so that the plan is consistent with the overall Best Start Plan and objectives.

CMSMs/DSSABs are responsible for the approval of operating and start up funds to support new child care programs in new schools. CMSMs/DSSABs will review and approve requests for child care spaces in new schools against the Child Care Service Plan and the local Best Start Network's Phase 1 Integrated Implementation Plan.

Upon approval of the plans for child care in new schools, the CMSM/DSSAB will work with the school board to establish the process for construction, and the selection of a child care provider. The regional offices licensing staff will work with the school board to make sure that requirements under the *Day Nurseries Act* are met.

Where a child care program has been included in a new school or an existing school has been renovated to include a child care program, the physical space is owned by the school board and will be leased to the child care provider or CMSM/DSSAB.

Most schools have policies governing the selection of child care providers in schools. Consistent with the Schools First Policy, the Ministry encourages the expansion of child care within the non-profit sector located in schools.

**Source:** *Implementation Planning Guidelines for Best Start Networks*  
*Day Nurseries Act*

**Tools:**

School boards that proceed without the approval of the CMSM/DSSAB and the Best Start Network may not be able to secure operating funds for the child care provider selected to operate the child care program in the school.

## **VII Operating Funding Approvals**

Regardless of the source of funds (Provincial, fundraising, loan, etc.) for the infrastructure costs related to the development of child care spaces, the process for seeking operating funds remains the same. Plans will be reviewed against the:

- Child Care Service Plan with the Best Start child care components to confirm need and seek approval for operating funding.
- Overall Best Start Plan by local Best Start Networks and regional French-Language Best Start Networks, providing that the plan is consistent with the overall Best Start Plan and supported by the local Best Start Networks and regional French-Language Best Start Networks.
- New programs will be incorporated into the Best Start Child Care Infrastructure Plan submitted by the CMSM/DSSAB to reflect the operating costs.
- Agencies and/or child care providers that require operating funding and proceed without the approval of the CMSM/DSSAB and the local Best Start Networks and regional French-Language Best Start Networks may not qualify for operating funds.

## **VIII Selecting A Child Care Provider**

In order to meet the infrastructure expansion targets for Best Start, CMSM/DSSAB may:

1. Be solely responsible for the major infrastructure development and find a suitable child care provider after construction (turnkey).
2. Enter into an infrastructure agreement with a non-profit child care provider to develop the new spaces through a standard legal agreement between the CMSM/DSSAB and the child care provider. In this case, the CMSM/DSSAB will make certain that the infrastructure project meets all municipal and provincial requirements and adheres to the requirements in the Ministry's Requirements for Developing Best Start Infrastructure Projects for Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSAB).
3. Develop a child care program operated by the municipality and enter into a standard legal agreement with the Ministry.
4. Develop new child care spaces in school facilities; child care provider selection is done in partnership with school boards and CMSM/DSSAB.

The Best Start Child Care Infrastructure Plan will identify the number of spaces being developed under each option. Where the CMSM/DSSAB is not operating the spaces directly, it is required to develop a process for selecting a child care provider for the child care program. Processes should be fair, transparent and efficient and should be developed in consultation with the Best Start Networks.

Where CMSMs/DSSABs and school boards are working in partnership to develop new child care spaces in school facilities, the selection of a service provider for the new site will be mutually determined through a fair, transparent and efficient process.

### **Areas to Consider When Selecting Child Care Providers for Infrastructure Expansion**

- Child care provider is incorporated as a non-profit service provider, incorporation papers provided.
- Child care provider has incorporated the 10 provisions for incorporations and has amended the letters patent, if applicable.

**Source:**

**Tools:**

***Business Case Template – Appendix B***

***Child Care Provider Selection Checklist – Appendix D***

- Proposal is approved by the Board of Directors and noted in the Board minutes of meeting where applicable.
- Capacity of child care provider, i.e. number and size of centres currently operated (where applicable) and capacity for expansion.
- The proposal from the child care provider is consistent with the CMSM/DSSAB Child Care Service Plan for the Best Start child care expansion.
- The child care provider's ability to carry out an infrastructure project within the funding and timeframes set.
- Assessment of a Business Case submitted by the child care provider to the CMSM/DSSAB for the new site to determine financial viability.

**Source:**

**Tools:**

***Business Case Template – Appendix B***

***Child Care Provider Selection Checklist – Appendix D***

## IX Business Case

The approved Best Start Child Care Infrastructure Plan will identify recommended operators for development of Best Start infrastructure projects. The CMSM/DSSAB or a not-for-profit child care provider may develop and/or operate the new spaces.

Once the CMSM/DSSAB or child care provider has been approved to develop an approved infrastructure project, they will prepare a Business Case that demonstrates that the proposal for infrastructure funding represents the most cost-effective investment of public funds. The Business Case documents that the CMSM/DSSAB or child care provider has thoroughly investigated alternatives available in the community and has performed cost comparisons for different operating models as well as infrastructure options.

Where the CMSM/DSSAB will be developing and/or operating the new Best Start child care spaces, the regional office is responsible for reviewing the Business Case against predetermined criteria to determine that it:

- Reflects the Ministry's guiding principles, direction and priorities.
- Is developed in the context of the Best Start child care planning process.

Where a child care provider will be developing and/or operating the new Best Start child care spaces, the CMSM/DSSAB is responsible for reviewing the Business Case to determine that it:

- Reflects the Ministry's guiding principles, direction and priorities.
- Is developed in the context of the Best Start child care planning process.

Following an evaluation of the business cases, the CMSM/DSSAB or regional office (as appropriate) will advise which business cases have been approved to deliver infrastructure projects.

**Note:** For-profit agencies are **not** eligible to receive infrastructure funding through this initiative.

**Source:**

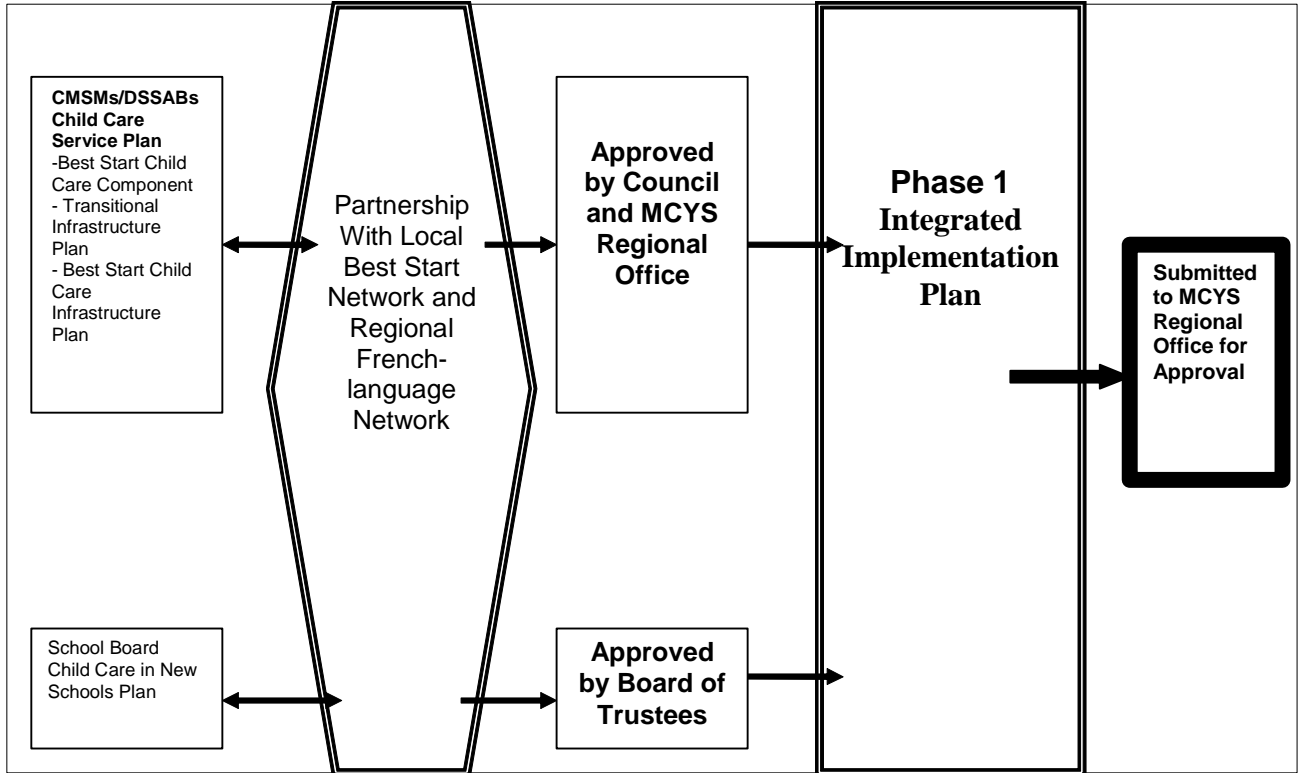
**Tools:**

***Business Case Template – Appendix B***

***Child Care Provider Selection Checklist – Appendix D***

**D. APPROVALS**

**I Best Start Child Care Infrastructure Plan Approval Process**



**Note:** This chart represents the approval process for plans related to infrastructure only and does not represent the process for developing the broad local Best Start plan that incorporates all components of Best Start including the Infrastructure Plans.

**Source:**  
**Tools:**

## **II Approval-in-Principle (AIP)**

The CMSM/DSSAB will develop the Child Care Service Plan that includes the Child Care component. This will be done in conjunction with the local Best Start Networks and regional French-Language Best Start Networks. Once a final draft of the Best Start Child Care Infrastructure Plan, which builds on the year one transition plan, is complete it will be forwarded to the regional office.

Regional offices will review all Best Start Child Care Infrastructure Plans and an Approval-in-Principle letter will be forwarded to the CMSM/DSSAB under the Regional Director's signature.

## **III Final Ministry Approval**

Once the CMSM/DSSAB receives Approval-in-Principle from the Ministry's regional office, the Best Start Child Care Infrastructure Plan will be submitted to municipal Council for approval as part of the Phase 1 Integrated Implementation Plan. Once Council has approved the plan it will then be forwarded to the Ministry for final approval.

An approval letter will be forwarded to the CMSM/DSSAB to confirm that infrastructure funding with associated operating funding has been approved to support the plan. The commitment of the province is limited by the terms of the letter and contingent upon the CMSM/DSSAB signing an Infrastructure PLAN Agreement with the province.

There is no commitment by the province to any portion of the Best Start Child Care Infrastructure Plan until final Ministry approval is given.

**Source:**

**Tools:**

***Licensing Requirements – Appendix G***

***Infrastructure Project Checklist for CMSMs/DSSABs – Appendix I***

## IV Infrastructure Agreement

### Types of Infrastructure Agreements

The Ministry has developed two types of agreements for use for Best Start infrastructure funding.

The first agreement, the Best Start Child Care Infrastructure PLAN Agreement, is a comprehensive document that confirms the terms and conditions of the approval of the Best Start Child Care Infrastructure Plan and sets out the associated funding and service level requirements. This agreement will also set out the requirements of the Ministry for project implementation where the program is being delivered by a third party.

A second agreement, the Infrastructure Project Agreement, will be required where the CMSM/DSSAB is implementing the project and/or operating the child care program. This is a standard Infrastructure Agreement that details the Ministry requirements related to the amount of the individual project contribution, requirements, restrictions, conditions of payment, etc.

In addition, CMSMs/DSSABs are required to develop an agreement where the CMSM/DSSAB selects a child care provider to develop and operate a child care program under Best Start. The CMSM/DSSAB will execute an infrastructure project agreement with the child care provider and will be required to impose certain conditions on child care providers in order to secure the Ministry's interest in funded assets. The terms and conditions of the Infrastructure Agreement are set out in the Infrastructure Plan Agreement and a template agreement should be included in the Best Start Child Care Infrastructure Plan.

#### 1. Best Start Child Care Infrastructure PLAN Agreement

Upon approval of infrastructure funding as detailed in the final Ministry approval letter, the regional office will prepare an Infrastructure PLAN Agreement in triplicate between the CMSM/DSSAB and the Ministry. The Infrastructure PLAN Agreement will confirm the province's support of the Child Care Infrastructure Plan as well as the infrastructure funding contribution, requirements, restrictions, conditions of payment, etc. associated with the overall Best Start Child Care Infrastructure Plan.

**Source:**

**Tools:** *Infrastructure PLAN Agreement – Appendix E*

The Agreement is a standard Ministry document. Under exceptional circumstances, regional offices may consider revisions to the covenants contained in the agreement. However, prior to execution, regional offices will review the changes with CASB and/or Legal Services Branch.

The regional office will forward three copies of the Infrastructure PLAN Agreement to the CMSM/DSSAB who will review it in consultation with their legal counsel. Questions or clarification should be discussed with the regional office representative.

The CMSM/DSSAB will have all three copies of the agreement signed by two authorized officials, and return them to the regional office for execution on behalf of the Ministry. An executed copy will be returned to the CMSM/DSSAB for their files.

Infrastructure funding cannot be paid until the infrastructure PLAN Agreement is fully executed.

The Regional Office will keep one executed copy on file and forward one copy to CASB.

## **2. Infrastructure Project Agreement**

In the case where infrastructure funding is provided for the CMSM/DSSAB to create and operate the project directly, the CMSM/DSSAB will enter into an Infrastructure Project Agreement with the Ministry. The regional office will prepare the Infrastructure Project Agreement in quadruplicate between the CMSM/DSSAB and the Ministry. The Infrastructure Project Agreement will confirm the province's infrastructure funding contribution, requirements, restrictions, conditions of payment and the Ministry's financial interest in the newly created asset.

The Infrastructure Project Agreement is a standard Ministry document. Under exceptional circumstances, regional offices may consider revisions to the covenants contained in the agreement. However, prior to execution, the regional office will review changes to the agreement with CASB and/or Legal Services Branch.

The regional office will forward four copies of the Project Agreement to the CMSM/DSSAB who will review it in consultation with their legal counsel. Questions or clarification should be discussed with the regional office representative.

**Source:**

**Tools:** *Infrastructure Project Agreement – Appendix F*

Two officers of the CMSM/DSSAB will sign all four copies of the agreement under seal, and return them to the regional office for execution on behalf of the Ministry. Two executed copies will be returned to the CMSM/DSSAB. The CMSM/DSSAB will register one copy of the Infrastructure Project Agreement on title to the property with the Ministry of Government Services, Land Registry Office and one will be retained for their files. Proof of registration must be provided to the regional office.

Infrastructure funds cannot be paid for a project until the Infrastructure Project Agreement is fully executed.

The Regional Office will keep one executed copy on file and forward one copy to CASB.

Where there is a large infrastructure investment to renovate a leased site, the Infrastructure Project Agreement will require CMSM/DSSAB to have the child care provider secure a lease for a term of no less than 20 years. The lease must contain a provision for termination of the lease by the child care provider during the term. Where a child care provider has to terminate the lease, the CMSM/DSSAB should negotiate with the landlord the continued use of the space for Best Start purposes.

In the event that a child care provider no longer wishes to operate the program, the guidelines for disposition will apply.

### **3. Infrastructure Agreement - Other**

In cases where infrastructure funding is provided to not-for-profit child care providers to create and operate the new spaces directly, it is the Ministry's expectation that the CMSM/DSSAB will enter into an Infrastructure Project Agreement with service providers to protect the province's infrastructure investment and that the Infrastructure Project Agreement will be registered on title to the property.

The Infrastructure Project Agreement will confirm the province's infrastructure funding contribution, requirements, restrictions, conditions of payment and the Ministry's financial interest in the newly created asset. The covenants set out in the Infrastructure Funding Agreement between the CMSM/DSSAB and the Ministry will form the basis for the legal agreement executed between the CMSM/DSSAB and the child care provider.

**Source:**

**Tools:** *Infrastructure Project Checklist for CMSMs/DSSABs – Appendix I*

The child care provider will register one copy on title with the Ministry of Government Services, Land Registry Office and one will be retained for their files.

Infrastructure funds cannot be paid to the child care provider by the CMSM/DSSAB until the Infrastructure Project Agreement is fully executed.

The CMSM/DSSAB will forward one executed copy of the Infrastructure Project Agreement with child care providers to the Regional Office for Ministry records.

## **V Registration of the Legal Agreement on Title**

Where the Ministry of Children and Youth Services has provided infrastructure funding, whether directly to the CMSM/DSSAB or indirectly to a child care provider, an Infrastructure Project Agreement must be executed and registered on title to the property.

If the property is being purchased then the agreement must be registered immediately when the CMSM/DSSAB or child care provider (as applicable) has clear title to the property. It is recommended that legal counsel be retained by CMSM/DSSAB or child care providers to assist with this process.

### **Confirmation of Registration on Title**

Where the CMSM/DSSAB is implementing and/or operating the child care program directly, the CMSM/DSSAB must provide confirmation to the regional office that the agreement has been registered, within 30 days of execution of the agreement, by forwarding to the regional office, a copy of the registered Notice of Agreement identifying the instrument number, as issued by the Ministry of Government Services, Land Registry Office.

Where a child care provider is implementing and/or operating a child care program directly, the child care provider must provide confirmation to the CMSM/DSSAB that the agreement has been registered, within 30 days of execution of the legal agreement, by forwarding to the CMSM/DSSAB, a copy of the registered Notice of Agreement identifying the instrument number, as issued by the Ministry of Government Services, Land Registry Office.

**Source:**

**Tools:** *Infrastructure Project Checklist for CMSMs/DSSABs – Appendix I*

## E. PROJECT PLANNING

### I Functional Plan

A child care provider selected to develop an approved infrastructure project must prepare a Business Case for approval by the CMSM/DSSAB. In the case where the infrastructure project is a municipally-operated program, the CMSM/DSSAB will prepare a Business Case for approval by the Ministry. The approved Business Case will demonstrate how the need for the proposal was determined, that the course of action contemplated is viable and that alternative financial options have been considered.

Depending on the size and scope of the project, the CMSM/DSSAB may request that the child care provider prepare a Functional Plan (sometimes referred to as a Facility Program). In the case of a municipally-operated program the regional office may ask for a Functional Plan from the CMSM/DSSAB. The Functional Plan is the link to the design of the building and forms the basis for making decisions on how the physical environment will affect the users.

The Functional Plan defines the needs and provides a detailed record of what should happen in a new facility. The Functional Plan is a record of all of the detailed requirements of the project and should include:

- A statement of the goals and objectives of the proposed facility.
- The philosophy of the program, environmental systems, administrative structure, recreation and activity spaces, and services to the community.
- Policies and procedures.
- A description of the group to be served, the number of users, including staff and client group.
- Activities that occur in the building and the relationship of activities to each other.
- Confirmation that space complies with *Ontario Disabilities Act, 2001*
- Ancillary and supporting activities or spaces such as reception.

The Functional Plan provides the design consultant with an understanding of what components need to be included to make the building function smoothly and to successfully implement an infrastructure project.

**Source:** *Ontario Disabilities Act, 2001*  
**Tools:**

## II Consultant Selection

### Types of Consultants

During the various stages in the development of a project, the CMSM/DSSAB or child care provider may need to retain the services of a variety of consultants. Some of the more commonly used types of consultants include:

- Functional programmer
- Lawyer
- Architect
- Engineers (mechanical, electrical structural, civil)
- Cost consultant (quantity surveyor)
- Project manager (for larger projects)
- Land surveyor
- Interior designer
- Landscape architects

Normally, fees for consultant services are included in the infrastructure budget and will be cost shared at the same proportion as agreed for other project costs. The total of all consulting fees for the project should normally not exceed 15% of the total project cost.

### Consultant Selection Process

For many facility types, the *Ontario Building Code* requires that an architect or a professional engineer prepare plans and specifications for construction or renovations. The selection of a consultant is the responsibility of the CMSM/DSSAB or child care provider (as appropriate). The CMSM/DSSAB or child care provider must use a competitive process to select a consultant.

The type of consultant required will depend on the nature and scope of the project. Normally a standard form of agreement provided by the consultant is used to set out the responsibilities and fees. For an architectural consultant, the Ontario Association of Architect's Fee Schedule normally determines fees.

Where practical, consultants should be retained for a fixed fee for a pre-determined deliverable. For example, a surveyor may be retained to provide a survey of a site at a predetermined cost.

Consultants retained must have appropriate professional designation.

**Source:** *Ontarians with Disabilities Act, 2001*

**Tools:**

### **III Site Selection**

In some cases, the acquisition of property may be required as part of an infrastructure project. The selection of a site, whether it be undeveloped land or a site with an existing building, must be appropriate to the requirements of the program. Factors to consider include:

- Proximity to local school(s) and neighbourhood early learning and care hubs.
- Zoning requirements and municipal by-laws including historic/heritage designation.
- Appropriateness of location for child care, proximity to other service providers, proximity to required services, adequacy of existing public transportation.
- Economic feasibility, i.e. comparable cost to other properties, affordability for renovation to meet program, municipal and provincial requirements.
- Suitability for construction, i.e. soil conditions, access and drainage, environmental issues.
- Existing services, i.e. hydro, water, sewers, gas, telephone, etc.
- Size is adequate to meet program requirements, including accessibility requirements under the ODA, but not excessive to needs.

#### **Zoning**

Every municipality has by-laws guiding the type of building that can be built on a site and the type of occupancy. It is the responsibility of the CMSM/DSSAB or child care provider (as appropriate) and their consultants to ensure that the selected site meets the zoning requirements for a child care program.

Confirmation of appropriate zoning is a condition of Ministry approval.

**Source:** *Ontarians with Disabilities Act, 2001*  
**Tools:**

#### IV Project Scope

The scope of the project will be determined by a number of factors including program requirements as well as financial considerations. The CMSM/DSSAB or the child care provider will have completed a business case to explore the various options available and explore the feasibility of each option.

The most common options for developing an infrastructure project include:

##### **Acquisition of Land Only**

The acquisition of property may be required as part of an approved infrastructure project. Usually land is purchased for the purpose of constructing a new building. However, it may be necessary to purchase property adjacent to an existing site in order to expand an existing owned building. The site must be appropriate to meet the requirements of the program. The following issues should be considered:

- Proximity to other services.
- Appropriate zoning.
- Comparable cost to other properties.
- Affordability for renovation to meet program, municipal and provincial requirements.

After investigating and evaluating various sites, the CMSM/DSSAB or child care provider must submit a conditional offer to purchase the site. The CMSM/DSSAB or child care provider will request approval to acquire the site from the regional office or CMSM/DSSAB (as appropriate). The recommendation from the CMSM/DSSAB or child care provider for approval will include:

- A copy of an executed Offer of Purchase and Sale. The offer to purchase must include a condition stating that it is “subject to CMSM/DSSAB or Ministry approval” (as appropriate).
- Confirmation that the zoning will permit a child care program to be located at the site.
- A current infrastructure budget.
- Confirmation that any existing buildings to be renovated are structurally sound or provide costs to demolish if new construction is intended.

**Source:**

**Tools:** *Infrastructure Project Checklist for CMSMs/DSSABs – Appendix I*

- For existing buildings, confirmation that no hazardous substances are present or that removal of any identified hazardous substances is feasible.
- Confirmation that soil conditions are suitable or that the offer to purchase is conditional upon an environmental assessment to confirm that soil conditions are suitable.

The regional office or CMSM/DSSAB (as appropriate) will provide written site approval in relation to the program. However, the CMSM/DSSAB or child care provider (as appropriate) and its consultants are fully responsible to ensure that all legal, environmental, health and safety, and other requirements are met.

The CMSM/DSSAB will forward a copy of the approval letter to the regional office.

### **New Construction**

Construction of a new building may occur on a site purchased for the purpose of building a new building or on a site already owned. The decision to construct a new building will have been determined by examining the least cost alternative in conjunction with the availability of land and existing buildings in the community to be served.

If new construction is contemplated, the regional office or CMSM/DSSAB (as appropriate) may request that the service provider complete a Functional Plan to define the needs and provide a detailed record of what should happen in a new building.

For most new buildings, the Ontario Building Code requires that the services of a professional architect or engineer be used to develop the drawings and specifications.

### **Acquisition and/or Renovations**

Frequently a CMSM/DSSAB or child care provider will acquire an existing building that meets or can meet the program requirements. When acquiring an existing building, renovations are usually required in order to bring it up to good condition to meet the program requirements or for code compliance.

**Source:**

**Tools:** *Infrastructure Project Checklist for CMSMs/DSSABs – Appendix I*

### **Renovation of an CMSM/DSSAB or Child Care Provider Owned Building**

In some situations, the CMSM/DSSAB or child care provider may already own a building that can be renovated or expanded to meet the program requirements.

### **Renovation of a Leased Premise**

If the CMSM/DSSAB or service provider has demonstrated that the most cost effective alternative that meets or can meet the program requirements is to lease and renovate, leasehold improvements can be considered for infrastructure funding. The CMSM/DSSAB or child care provider must enter into a long-term lease that adequately secures the space for program purposes. The lease should be reviewed with the regional office prior to execution.

### **Summary**

Regardless of the option chosen, the CMSM/DSSAB or child care provider must ensure that they meet all of the requirements of the ministry for approval at each stage of the project implementation/development, including the requirements under the *Ontarians with Disabilities Act, 2001*.

Where the Ministry is providing infrastructure funding for the acquisition, renovation or construction of a building, the CMSM/DSSAB or child care provider must execute an Infrastructure Project Agreement with the Ministry and register the agreement on title to the property (where applicable).

The Ministry's Infrastructure Project Agreement or a long-term lease provide protection of the Ministry investment and ensures longevity of the asset for use for the program.

**V Demolition**

There may be a situation where the most appropriate alternative is to acquire land that may have an existing structure. The CMSM/DSSAB or child care provider's consultant will assess whether the building meets program needs as well as the requirements of municipal and provincial authorities. The integrity of the building will need to be reviewed.

If it is determined that the building has no economic value, a decision must be made as to whether the building should be demolished and replaced with a new building.

The cost of the demolition of the existing building is eligible for infrastructure funding. However, the CMSM/DSSAB or child care provider needs to evaluate the cost of acquiring this site including demolishing the building vs. consideration of alternative options.

Demolition may be appropriate in a situation where the CMSM/DSSAB or child care provider owns land with an existing building that is not suitable to meet the program requirements.

**Source:**  
**Tools:**

**VI Eligible Expenditures**

<b>Infrastructure (Capital)</b>	<b>Start-up (Operating)</b>	<b>Operating</b>
<ul style="list-style-type: none"> <li>▪ Acquisition of land and/or building</li> <li>▪ New construction</li> <li>▪ Substantive renovations:               <ul style="list-style-type: none"> <li>• Structural changes</li> <li>• Changes that impact market value of an asset</li> </ul> </li> <li>▪ Consultant fees, i.e. legal, architectural, engineering, etc.</li> <li>▪ Fixed, built-in equipment:               <ul style="list-style-type: none"> <li>• HVAC systems</li> <li>• Specialized or therapeutic tubs</li> <li>• Hydraulic lift, elevator</li> <li>• Security system</li> <li>• Demolition</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Furniture</li> <li>▪ Toys</li> <li>▪ Moveable equipment, e.g. playground, office</li> <li>▪ Small appliances:               <ul style="list-style-type: none"> <li>• Refrigerator</li> <li>• Stove</li> <li>• Toasters, blenders, etc.</li> </ul> </li> <li>▪ Hiring and training staff</li> </ul>	<ul style="list-style-type: none"> <li>▪ Mortgage/rent</li> <li>▪ Utilities</li> <li>▪ Staff salaries and benefits</li> <li>▪ Repairs and maintenance</li> </ul>

**Source:**  
**Tools:**

## F. PROJECT IMPLEMENTATION

### I Design Development

Design drawings are prepared based on a number of factors including fire and building codes, local by-laws, energy efficiency and on the CMSM/DSSAB or child care provider's Functional Plan. The development of design drawings is critical to make sure that the planning meets the program requirements within the approved budget.

The regional office will participate in the design development phase so that Ministry requirements are met including the Ministry's accessibility requirements. At the completion of this stage of design development, the consultant will provide a revised budget and project schedule to the CMSM/DSSAB or child care provider (as applicable).

It is important for the CMSM/DSSAB or child care provider to participate in the design development process to ensure their program requirements are met based on the functional plan.

The completed design drawing submission is forwarded to the regional office for review and approval by the licensing unit. The design submission will include:

- A complete set of design drawings (i.e. site plan, elevations, floor plan(s)).
- Revised construction estimate.
- Revised project budget.
- Project schedule for development and project completion.

The regional office licensing unit will provide written feedback on the submission, which may also include a request for clarification on the submission and/or additional information.

Once the design drawings have been approved by the regional office licensing unit, the regional office and/or CMSM/DSSAB (as appropriate) will provide approval to proceed with the preparation of working drawings and specifications on the understanding that:

- The Ministry's infrastructure funding contribution will not increase.
- The CMSM/DSSAB or child care provider acknowledges responsibility for obtaining approvals from all authorities having jurisdiction.

**Source:** *Planning and Design Guidelines for Child Care Centres (under revision)*

*Ontarians with Disabilities Act, 2001*

**Tools:** *Infrastructure Project Checklist for CMSMs/DSSABs – Appendix I*  
*Licensing Requirements – Appendix G*  
*Infrastructure Project Budget template – Appendix H*

- The CMSM/DSSAB or child care provider agrees to comply with the Ministry's project development process.
- The child care provider adheres to the contents of the Infrastructure Agreement.

## **II Working Drawings and Specifications**

Working drawings and specifications are an extension of the design drawings. They provide more detail than design drawings with regard to materials, type of construction etc.

Upon the completion of working drawings and specifications the child care provider will submit the following items to the CMSM/DSSAB (or the CMSM/DSSAB will submit the following items to the regional office, where they are building and operating their own project) for approval:

- Working drawings and specifications.
- Updated construction and project budget.
- Copies of approvals from municipal and provincial authorities having jurisdiction (i.e. fire, health, building dept, etc).
- Proposed project schedule for completion of construction.

The regional office or CMSM/DSSAB (as appropriate) may ask for additional information or seek clarification on the documentation submitted, prior to giving plan approval and approval to tender construction for the project.

**Source:** *Planning and Design Guidelines for Child Care Centres (under revision)*

**Tools:** *Infrastructure Project Checklist for CMSMs/DSSABs – Appendix I  
Licensing Requirements – Appendix G  
Infrastructure Project Budget Template – Appendix H*

### III Tendering

#### The Tendering Process

The regional office may provide the CMSM/DSSAB or the CMSM/DSSAB may provide the child care provider with plan approval and approval to tender for a contractor to complete construction of the project. The usual type of construction administration to be tendered is for a stipulated sum contract with a general contractor.

Once the regional office, CMSM/DSSAB and/or the child care provider agree that the proposed design meets the program requirements and it is within budget, final tender documents can be produced and the project can be advertised in an **open public tender**.

The CMSM/DSSAB or child care provider (as appropriate) will tender for a general contractor by advertising in the Daily Commercial News and the local newspaper usually for three days. A lesser duration may be considered in some circumstances if agreed to by the regional office or CMSM/DSSAB (as appropriate). This process is normally undertaken by the architect.

#### Prequalification of Contractors

In some instances where the size, scope and estimated cost of the project warrant, the CMSM/DSSAB or child care provider, on the recommendation of their architect, may undertake a pre-qualification of general contractors. If a prequalification process is selected the CMSM/DSSAB or child care provider must first obtain regional office or CMSM/DSSAB approval (as appropriate).

The same requirement for open public tendering is applicable. The selection process must be open, fair and transparent. Selection criteria and an evaluation process must be developed and documented.

All contractors who meet the eligibility requirements must be invited to submit a bid. Under no circumstance can the child care provider or their consultant set a predetermined, arbitrary number of contractors to be qualified.

**Source:**  
**Tools:**

**Exception**

The Ministry recognizes that some CMSMs/DSSABs and school boards have tendering processes. These processes are acceptable to the Ministry where they can be shown to be competitive, fair, transparent and accountable. A copy of the tendering process must be provided to the Ministry.

**Source:**  
**Tools:**

## IV Bonding Requirements

### Overview

A bond is a form of insurance that is used to protect the CMSM/DSSAB or child care provider in unforeseen circumstances during the development of an infrastructure project. There are three types of bonds that the Ministry requires for construction/renovation projects as follows:

### Bid Bond

A bid bond is to guarantee the good faith of the bidder for the project. If the bidder's tender is accepted, the bidder is obligated to enter into a formal contract with the child care provider within the time specified and to meet all other requirements set out in the specifications and instructions to bidders.

### Performance Bond

A performance bond provides indemnity to the CMSM/DSSAB or child care provider up to the amount of the bond in case the general contractor defaults on the construction contract.

### Labour and Materials Bond

A labour and materials bond guarantees that all claimants will be paid for the labour and material furnished to the general contractor for use on the project in the event the general contractor defaults.

### Bonding Requirements

In order to be eligible to be awarded a contract for a Ministry-funded infrastructure project, contractors must be prepared to provide:

- A bid bond (or certified cheque) for a minimum of 10% of the bid.
- A 100% performance bond.
- A 100% labour and material bond.

*Source:*  
*Tools:*

**V Receipt of Tender Bids**

The CMSM/DSSAB or child care provider will receive and review the bids received from prospective general contractors. The bids will normally be evaluated by the architect. The CMSM/DSSAB or child care provider will submit a recommendation to award the construction contract including the following documents in the submission to the regional office or CMSM/DSSAB (as appropriate):

- A copy of the three lowest bids.
- Analysis of all bids received and the architect's recommendation as to the successful bidder.
- A copy of the tender advertisements (Daily Commercial News, local newspaper(s)).
- A revised project budget.
- A proposed construction schedule.
- A proposed funding schedule for payment of Ministry infrastructure funds.
- A copy of confirmations from authorities having jurisdiction that all requirements have been met.
- Recommendation and a copy of the Board Minutes to approve the award of the construction contract to the lowest bidder.

**Source:**

**Tools:**

***Infrastructure Project Checklist for CMSMs/DSSABs – Appendix I***

**VI Approval to Award a Construction Contract**

The regional office or CMSM/DSSAB may ask for additional information or seek clarification on the documentation submitted prior to providing approval to award the construction contract.

Once the regional office or CMSM/DSSAB (as applicable) has all information to ensure that the process meets all the Ministry and municipal criteria for tendering and that the proposed contract is within the approved budget and can be completed within the approved time lines, an approval to award contract letter will be provided.

## **G. PROJECT ADMINISTRATION**

### **I Claims for Infrastructure Funding**

#### **CMSMs/DSSABs Claim for Infrastructure Funding for Best Start Child Care Infrastructure Plan**

The CMSM/DSSAB will submit a claim annually for the approved funding related to the Best Start Child Care Infrastructure Plan in the prescribed manner.

#### **Submitting a Claim for Infrastructure Funding by a Child Care Provider to the CMSMs/DSSABs – Project Specific**

Infrastructure funding is normally paid proportionate to the progress of the project. Advance payments can be made for acquisition costs if approved by the CMSM/DSSAB. Payment schedules should be discussed at an initial meeting.

No claim for construction/renovations will be processed without a recent Monthly Progress Report to support the claim.

#### **Submitting a Claim for Infrastructure Funding by a CMSM/DSSAB to the Ministry – Project Specific**

Infrastructure funding is normally paid proportionate to the progress of the project. Advance payments can be made for acquisition costs if approved by the regional office. Payment schedules should be discussed at an initial meeting.

No claim for construction/renovations will be processed without a recent Monthly Progress Report to support the claim.

#### **Progress Reports**

The regional office will provide the CMSM/DSSAB with a supply of Monthly Progress Report forms. The CMSM/DSSAB will provide the child care provider with a supply of Monthly Progress Report forms. A Monthly Progress Report form must be submitted monthly to the regional office or CMSM/DSSAB (as appropriate). Claims for infrastructure funding cannot be processed unless it is supported by a recent progress report.

**Source:** *EMMA*  
**Tools:** *Application for Payment of a Major Capital Grant form*  
*Monthly Progress Report form*

If the project does not involve construction or renovations, a monthly status update on the project must be provided to the regional office or CMSM/DSSAB (as appropriate).

Regional Offices will provide the Capital and Accommodation Services Branch with consolidated progress reports as required.

### **Change Orders/Contemplated Change Orders**

Any changes to the approved plans and resultant change orders must be approved by the regional office or CMSM/DSSAB (as appropriate).

Changes resulting in an increase in the project budget must be borne by the CMSM/DSSAB or child care provider.

## **II Cost Overruns**

The Infrastructure Project Agreement specifies a maximum approved amount. It is expected that the child care provider, or the CMSM/DSSAB where the new spaces are directly operated, will complete the project within the approved budget. Any costs incurred by the child care provider or the CMSM/DSSAB in excess of the approved cost as described in the Infrastructure Project Agreement will be the responsibility of the child care provider or CMSM/DSSAB (as appropriate).

## **III Year-end Accruals**

Under the Ministry's accrual accounting rules, infrastructure funding cannot be accrued at year end. The CMSM/DSSAB or child care provider must provide an estimate of infrastructure funding requirements for the fiscal year.

In March, the CMSM/DSSAB or child care provider will provide a statement of actual expenditures for the fiscal year. Any unused funding must be reimbursed to the Ministry.

**Source:** EMMA  
**Tools:**

#### IV Project Reconciliation and Final Claim

The child care provider will submit to the CMSM/DSSAB, a final claim and a Certificate of Completion or Occupancy Permit completed by the architect or engineer certifying that the project has been constructed in accordance with the approved plans. Where the CMSM/DSSAB is undertaking the project directly, the CMSM/DSSAB will submit a project reconciliation and final claim to the regional office.

A detailed statement of final project costs, including gross costs less recoveries or rebates, signed by two authorized officers must be submitted whether or not the project involves construction or renovation. The CMSM/DSSAB or regional office (as appropriate) will do a final reconciliation for the project and issue the final payment or recover any overpayments.

The following documentation is required in order to reconcile the project and make a final payment:

- Application for Payment of a Major Capital Grant – Complete Sections 1, 2 and 3.
- For new construction or renovation projects:
  - Monthly Progress Reports signed by child care provider and Architect.
  - Final certificate of completion from the Architect.
  - Final invoice from contractor.
- Executed infrastructure agreement and amending agreement documenting final costs.
- Proof that the infrastructure agreement/amending agreement is registered on title.
- Proof of insurance.
- Copy of the deed registered to the CMSM/DSSAB or child care provider.
- Copy of mortgage agreement if applicable.
- Copy of building evaluations if applicable.
- Confirmation that the building meets all municipal, provincial and federal requirements including but not limited to zoning, OBC, OFC, etc.

**Source:** EMMA  
**Tools:** Infrastructure Project Checklist for CMSMs/DSSABs – Appendix I

**V Signs and Plaques**

The Government of Ontario requires recipients of provincial infrastructure funding to display prominently a sign and plaque.

The Signs and Plaques area is designed to assist provincial, municipal, institutional, and other partners who receive infrastructure investments from the Government of Ontario to meet the government's visual identity standards for producing signs and plaques.

For additional information, visit the Ministry of Public Infrastructure Renewal website at: [www.pir.gov.on.ca](http://www.pir.gov.on.ca) "Partners and Projects" section.

## **VI Disposition of a Ministry-Funded Asset**

Ministry approval is required to change the use of, dispose of or encumber real property acquired by a CMSM/DSSAB or child care provider with Ministry financial assistance.

Ontario has a financial interest in the real property where Ontario has provided infrastructure or operating funds for the purpose of acquiring land and/or a building, or constructing or renovating a building. When the CMSM/DSSAB or child care provider wishes to dispose of, encumber or change the use of that real property, the CMSM/DSSAB or child care provider must seek Ministry approval as required under Section 12 of the Infrastructure Project Agreement with the Ministry.

The CMSM/DSSAB or child care provider must submit a proposal to the Regional Director presenting options which, where feasible, satisfy the intent of the original grant as nearly as possible. Approval will be given based on consideration of the following options listed in priority order:

- i) Transfer the property to a different child care provider for a child care program.
- ii) Use the property for a different funded program by the same or a different provider.
- iii) Other options which may be considered include (but are not limited to) transferring the Ministry's interest to a Ministry approved transfer payment service provider for the purpose of providing other programs.
- iv) Sell the property at market value and return the Ministry's share of the disposition proceeds to the Ontario Minister of Finance.

**Source:** EMMA  
**Tools:**

**H. APPENDICES**

<b>Appendix</b>	<b>Title</b>
A	Roles and Responsibilities
B	Business Case Template
C	Schools First Policy
D	Child Care Provider Selection Checklist
E	Infrastructure PLAN Agreement
F	Infrastructure Project Agreement
G	Licensing Requirements
H	Infrastructure Project Budget Template
I	Infrastructure Project Checklist for CMSMs/DSSABs
J	Glossary of Terms