

APPENDIX 'A'

Ministry of Education

Capital and Business Support
Division

315 Front Street West
15th Floor
Toronto ON M7A 0B8

Ministère de l'Éducation

Division du soutien aux
immobilisations et aux affaires

315, rue Front Ouest
15^e étage
Toronto (Ontario) M7A 0B8

STRICTLY CONFIDENTIAL AND EMBARGOED

March 31, 2020

Mr. Rory McGuckin
Director of Education
Toronto Catholic District School Board
80 Sheppard Avenue East
North York, ON M2N 6E8

Dear Mr. McGuckin,

I am writing to inform you that the Ministry of Education has completed its detailed review of the business case(s) your school board submitted under the 2019-20 Capital Priorities Grant program. **Please note that information provided in this letter is strictly confidential and must be embargoed until further notification from the Ministry of Education.**

As outlined in Memorandum 2019:B17 – *Announcement of launch of 2019-20 Capital Priorities Program, including Child Care Capital Funding and review of School Construction Standards*, business cases could have included requests for funding to support both new school space construction as well as the creation of new or renovated licensed child care spaces in schools as part of the larger school capital project.

I am pleased to inform you that the ministry has approved funding to support the following project(s) for your school board, as outlined in the table below:

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Project ID #	Project	Capital Priorities	Child Care	Total
40-157	Buttonwood ES	\$13,159,951	\$2,727,603	\$15,887,554

Please note that for the project(s) listed in the table above, the ministry has increased its funding benchmarks by four percent to recognize rising construction costs. This increase does not apply to any previously-approved projects.

These newly approved Capital Priorities projects bring the ministry's total capital investment in your board to a total of \$284.8 million for 44 projects that have been approved through the Capital Priorities, School Consolidation Capital and Child Care Capital Programs over the years.

Appendix A provides a table showing how funding was determined for the approved project(s).

Your funding approval is conditional upon amendments to the 2019-20 Grants for Student Needs (GSN) regulation by the Lieutenant Governor in Council.

Accountability Measures for Approved Projects

The funding approved for your school board through the 2019-20 Capital Priorities Program represents a significant investment in school infrastructure by the Government of Ontario. Your board is responsible and will be held accountable for measures to ensure that the cost and scope of any approved projects are within the approved funding amounts.

As a reminder, school boards must receive ministry approval if the total cost of a capital project exceeds the funding source amounts approved by the Ministry. School boards are expected to ensure adequate controls are in place in managing project budgets. Furthermore, school boards are reminded that they are to seek a revised Approval to Proceed with additional funding sources identified if they anticipate any costs that cannot be addressed through contingency funding or other identified savings within their existing project Approval to Proceed. Excess costs incurred prior to receiving ministry approval may remain the responsibility of the school board and may impact future Capital Priorities project approvals for school boards.

Site Acquisition, Demolition and Unique Site Costs

The ministry has funding available to address costs related to site acquisition and preparation for project construction costs that are not included in the ministry's capital funding benchmarks. Additional funding will be provided to school boards based upon submission of a

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detailed estimates with supporting engineering reports. Eligible costs include, but are not limited to:

- the acquisition of a site for new school construction;
- the acquisition of lots adjacent to existing schools for school expansion, including child care centres and community hubs;
- site improvements to make the sites suitable for construction, such as soil remediation, additional fill or demolition of existing structures; and
- addressing extraordinary municipal requirements.

School boards are to seek funding approval for these costs prior to incurring any costs. Costs incurred prior to receiving ministry Approval to Proceed (ATP) may remain the responsibility of the school board.

Change in Project Scope

If your school board chooses to amend the project scope approved through the 2019-20 Capital Priorities Program at a later date, you are required to inform your Capital Analyst prior to engaging your architect regarding the new proposed scope to confirm whether a revised Minister's approval is required. School boards may not proceed with project designs for scope amended projects without ministry approval.

If your project requires additional ministry funding, the school board may be required to forfeit its project approval and re-submit a revised Capital Priorities business case with the alternative project scope.

In addition, any changes to the approved child care capital component of the project will require the approval of your Consolidated Municipal Service Manager or District Social Services Administration Board (CMSM or DSSAB) and you will be required to re-submit a revised *Joint Submission – Capital Funding for Child Care* form.

Child Care Projects

The child care funding allocation you have received can only be used to address capital costs related to the creation of child care rooms. As a reminder, prior to requesting an ATP, school boards are required to provide the Ministry of Education's Child Care Quality Assurance and Licensing Branch with a floor plan of any child care space. Once the space has been approved, a floor plan approval letter will be issued to your school board. This letter must be sent to the

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Capital Analyst when requesting the ATP. If you require further information about the floor plan approval letter process, please contact the ministry's Child Care Quality Assurance and Licensing Branch at 1-877-510-5333 or email childcare_ontario@ontario.ca. All child care rooms must be built in accordance with the *Child Care and Early Years Act, 2014* (CCEYA).

Lean Review of the Capital Approval Process

We appreciate the extensive undertaking of completing capital projects and want to ensure efficient ministry processes are in place to assist with their successful, timely completion while continuing to address sound accountability measures. As a result, the ministry is currently undertaking a Lean Review of the Capital Approval Process, including approvals for space templates and Approval to Proceed requests, for both school and child care projects. The review is being led by the Lean Delivery Team within the Government's Cabinet office. The comprehensive review includes seeking feedback from stakeholders to better understand current challenges and identify all potential opportunities as to how the ministry can better support school boards through the capital process.

Modular Construction Pilot

The ministry is working with Infrastructure Ontario to further explore modular construction opportunities in the education sector, including feasible options for new schools and additions for pupil and child care accommodation. We have had a significant number of boards identify interest in pursuing projects with this alternative construction approach. School boards will be contacted directly if their approved project(s) are being considered for the pilot study.

Payment

The Capital Priorities Grant, Full Day Kindergarten, and all associated child care funding will operate on a modified grant payment process, where cash flow is based on school board spending. There are two annual reporting periods for these programs:

- For the period of September 1st to March 31st, all related expenditures are recorded in the school board's March Report; and,
- For the period of April 1st to August 31st, all related expenditures are recorded in the school board's financial statements.

School boards will also be funded for the short-term interest costs related to these capital programs reflecting that cash flows will occur on a semi-annual basis. The short-term interest

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payments will be calculated in a manner similar to how they have been calculated for other eligible capital programs.

Projects Not Approved for Funding

I understand that your school board may have questions about any project(s) submitted and not approved through the 2019-20 Capital Priorities Program. Ministry staff are committed to working collaboratively with your school board to provide guidance and respond to questions as your school board considers the development of future capital plans, including requests for Capital Priorities funding.

Please refer to the Appendix B – Communications Protocol for detailed requirements regarding public communications, events and signage related to the project. Should you have any communications-related questions, please contact MinistryofEducation@ontario.ca.

We would like to take this opportunity to thank you and your staff for your assistance and support throughout this process and look forward to continuing to work with your school board.

Should you have any questions regarding your Capital Priorities and/or child care requests, please contact your Capital Analyst, Catherine Roy at 647-278-1591 or via email at Catherine.Roy@ontario.ca.

Sincerely,

Original signed by:

Didem Proulx
Assistant Deputy Minister
Capital and Business Support Division

Attached:

Appendix A – Details of Approved Projects

Appendix B – Communication Protocol Requirements: Public Communications and Events

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STRICTLY CONFIDENTIAL AND EMBARGOED

October 20, 2020

Dr. Brendan Browne
Director of Education
Toronto Catholic District School Board
80 Sheppard Avenue East
Toronto, ON M2N 6E8

Dear Dr. Browne,

I am writing with respect to the ministry's ongoing Capital Priorities Program, and to provide further information about the status of your board's submissions.

Demand for funding for new schools and child care spaces through the recently completed 2019-20 Capital Priorities Program was significant. The ministry recognizes that there are still ongoing accommodation needs that could not all be supported with the investment of over \$500M announced in July 2020. Schools are critical infrastructure. They are an essential part of supporting student achievement, as well as providing safe and healthy learning environments for our students and work environments for school staff.

With the additional challenges we face during the COVID pandemic, the ministry decided to expedite the approval of additional capital projects related to accommodation pressures across the province based on 2019-20 Capital Priorities Program submissions. This strategy is intended to reduce the administrative burden on school boards to submit business cases to support requests for funding for either new school space or the creation of licensed child care spaces in

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schools as part of the larger school capital project, as well as allowing projects to get underway in a timely manner.

I am writing to inform you that the Ministry of Education has completed an additional review of the business cases your school board submitted under the 2019-20 Capital Priorities Grant program. **Please note that information provided in this letter is strictly confidential and must be embargoed until further notification from the Ministry of Education.**

I am pleased to inform you that the ministry has approved funding to support the following projects for your school board, under the 2020-21 Capital Priorities Grant program, as outlined in the table below:

Project ID #	Project	Capital Priorities	Child Care	Total
40-158	Buttonwood SS	\$26,355,588	\$0	\$26,355,588
40-159	Bishop Allen Academy	\$36,013,876	\$0	\$36,013,876
40-160	Loretto Abbey CSS Addition	\$24,088,380	\$0	\$24,088,380

Please note that for the projects listed in the table above, funding is based on updated cost benchmarks communicated through the 2019-20 Capital Priorities Program and therefore reflects a four percent increase to recognize rising construction costs. This increase does not apply to any previously-approved projects.

The funding approved for your school board through the 2020-21 Capital Priorities Program represents a significant investment in school infrastructure by the Government of Ontario. Your board is responsible and will be held accountable for measures to ensure that the cost and scope of any approved projects are within the approved funding amounts.

These newly approved Capital Priorities projects bring the ministry's total capital investment in your board to a total of \$393.7 million for 47 projects that have been approved through the Capital Priorities, School Consolidation Capital and Child Care Capital Programs over the years.

Appendix A provides a table showing how funding was determined for the approved projects.

Your funding approval is conditional upon the 2020-21 Grants for Student Needs (GSN) regulation by the Lieutenant Governor in Council.

Accountability Measures for Approved Projects

As a reminder, school boards must receive ministry approval if the total cost of a capital project exceeds the funding source amounts approved by the Ministry. School boards are expected to ensure adequate controls are in place in managing project budgets. Furthermore, school boards are reminded that they are to seek a revised Approval to Proceed with additional funding sources

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identified if they anticipate any costs that cannot be addressed through contingency funding or other identified savings within their existing project Approval to Proceed. Excess costs incurred prior to receiving ministry approval may remain the responsibility of the school board and may impact future Capital Priorities project approvals for school boards.

Site Acquisition, Demolition and Unique Site Costs

The ministry has funding available to address costs related to site acquisition and preparation for project construction costs that are not included in the ministry's capital funding benchmarks. Additional funding will be provided to school boards based upon submission of a detailed estimate with supporting engineering reports. Eligible costs include, but are not limited to:

- the acquisition of a site for new school construction;
- the acquisition of lots adjacent to existing schools for school expansion, including child care centres and community hubs;
- site improvements to make the sites suitable for construction, such as soil remediation, additional fill or demolition of existing structures; and
- addressing extraordinary municipal requirements.

School boards are to seek funding approval for these costs prior to incurring any costs. Costs incurred prior to receiving ministry Approval to Proceed (ATP) may remain the responsibility of the school board.

Change in Project Scope

If your school board chooses to amend the project scope approved through the 2020-21 Capital Priorities Program at a later date, you are required to inform your Capital Analyst prior to engaging your architect regarding the new proposed scope to confirm whether a revised Minister's approval is required. School boards may not proceed with project designs for scope amended projects without ministry approval.

If your project requires additional ministry funding, the school board may be required to forfeit its project approval and re-submit a revised Capital Priorities business case with the alternative project scope.

In addition, any changes to the approved child care capital component of the project will require the approval of your Consolidated Municipal Service Manager or District Social Services Administration Board (CMSM or DSSAB) and you will be required to re-submit a revised *Joint Submission – Capital Funding for Child Care* form.

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Child Care Projects

The child care funding allocation you have received can only be used to address capital costs related to the creation of child care rooms. As a reminder, prior to requesting an ATP, school boards are required to provide the Ministry of Education's Child Care Quality Assurance and Licensing Branch with a floor plan of any child care space. Once the space has been approved, a floor plan approval letter will be issued to your school board. This letter must be sent to the Capital Analyst when requesting the ATP. If you require further information about the floor plan approval letter process, please contact the ministry's Child Care Quality Assurance and Licensing Branch at 1-877-510-5333 or email childcare_ontario@ontario.ca. All child care rooms must be built in accordance with the *Child Care and Early Years Act, 2014* (CCEYA).

Payment

The Capital Priorities Grant, Full Day Kindergarten, and all associated child care funding will operate on a modified grant payment process, where cash flow is based on school board spending. There are two annual reporting periods for these programs:

- For the period of September 1st to March 31st, all related expenditures are recorded in the school board's March Report; and,
- For the period of April 1st to August 31st, all related expenditures are recorded in the school board's financial statements.

School boards will also be funded for the short-term interest costs related to these capital programs reflecting that cash flows will occur on a semi-annual basis. The short-term interest payments will be calculated in a manner similar to how they have been calculated for other eligible capital programs.

Ministry staff are committed to working collaboratively with your school board to provide guidance and respond to questions as your school board considers the development of future capital plans, including requests for Capital Priorities funding.

To assist boards in planning for upcoming capital funding programs, we are pleased to inform you that the ministry is anticipating the launch of a Child Care Capital Program to support the submission of board requests for child care centre only projects that are not associated with Capital Priorities, in the near future. The ministry is also anticipating the launch of the 2021-22 Capital Priorities program, inclusive of a request for new business cases, in the Spring of 2021. We look forward to providing you with additional details for Capital Priorities in the new year.

Please refer to the Appendix B – Communications Protocol for detailed requirements regarding public communications, events and signage related to the project. Should you have any communications-related questions, please contact MinistryofEducation@ontario.ca.

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We would like to take this opportunity to thank you and your staff for your assistance and support throughout this process and look forward to continuing to work with your school board.

Should you have any questions regarding your Capital Priorities and/or child care requests, please contact your Capital Analyst, Catherine Roy at 647-278-1591 or via email at Catherine.Roy@ontario.ca.

Sincerely,

Original signed by:

Didem Proulx
Assistant Deputy Minister
Capital and Business Support Division

Attached:

Appendix A – Details of Approved Projects

Appendix B – Communication Protocol Requirements: Public Communications and Events

c: Lloyd Noronha, Chief Financial Officer, Toronto Catholic District School Board
Paul Bloye, Director, Capital Program Branch
Andrea Dutton, Director (A), Capital Policy Branch