

Ministry of Children and Family Development  
*Childcare BC New Spaces Fund*  
*Single Project Stream*  
**PROGRAM GUIDE**



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## Contents

Introduction .....	2
1. WHO CAN APPLY? .....	2
1.1. Eligible Organizations .....	2
1.2. Ineligible Organizations .....	2
2. PRIORITY AREAS .....	3
3. FUNDING MAXIMUMS BY APPLICANT TYPE .....	4
3.1. Applicants, Contribution Percentages, Maximum Provincial Funding Contribution, and Funding Award Commitment .....	4
4. OVERVIEW OF THE APPLICATION SELECTION AND AWARD PROCESS .....	6
4.1. Evaluation Criteria .....	6
5. ELIGIBLE AND INELIGIBLE PROJECT COSTS .....	7
5.1. Eligible Project Costs .....	7
5.2. Ineligible Project Costs .....	8
6. HOW TO APPLY .....	9
7. CONTACT INFORMATION & ENQUIRIES .....	11
8. APPENDIX A - TERMS AND CONDITIONS .....	12
9. ADDENDUM: FOR PROPONENTS .....	16
10. APPENDIX C - DEFINITIONS.....	21

## Introduction

In order to better meet the needs of British Columbian families, the Province has set a target of funding the creation of 22,000 licensed child care spaces by 2021. To accomplish this, the province will invest \$221M through the Childcare BC New Spaces Fund over the next three years. This fund will support small scale or single project proposals (as was formally supported through the Major Capital Funding program) and also, in the coming months, the Province will release funding guidelines to support larger, multi-project proposals. While details on the multi-project guidelines are still in development, this guide describes the eligibility criteria for single project proposals.

The Childcare BC New Spaces Fund - single project funding stream - has made some changes from the former Child Care Major Capital Funding program. These changes are documented in this guide, including the following enhancements:

- An open application intake throughout 2018/19 (subject to funding availability by the Province);
- A streamlined, one step application process;
- Increased maximum funding amounts for some eligible proponents; and
- A requirement that proponents commit to delivering affordable child care spaces.

## 1. WHO CAN APPLY?

### 1.1. Eligible Organizations

- Non-profit or public sector organizations, including:
  - Non-profit societies
  - Local governments
  - School boards
  - Public post-secondary institutions
  - Band/tribal councils and First Nations governments
- Private Sector organizations, including:
  - Sole proprietors
  - Incorporation partnerships
  - Limited companies

### 1.2. Ineligible Organizations

- Are not in good standing with the Ministry of Children and Family Development (e.g. owe a debt to the Ministry, have a repayment in arrears, and/or have a suspended or cancelled Early Childhood Educator/Early Childhood Educator Assistant Certificate)

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

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- Have a history of ongoing non-compliance (infractions/violations) under the *Community Care and Assisted Living Act* and Child Care Licensing Regulation
- Are intending to create unlicensed child care spaces
- Are intending to create child care spaces solely for occasional child care and/or child minding
- Are intending to use the funding to purchase residential or commercial property
- Are intending to fund a project completed and/or licensed prior to signing the Funding Agreement
- Are intending to fund a project proposing to re-locate or enhance existing spaces without creating new licensed child care spaces
- Are not willing to apply for Child Care Operating Funding (CCOF) and, where eligible, enroll in the Child Care Fee Reduction Initiative (CCFRI) once the spaces become operational

### 2. PRIORITY AREAS

While the intent of this funding stream is to support the creation of all types of licensed child care spaces, the Province will prioritize proponents that are able to demonstrate any of the following in their proposal:

- Creation of licensed Infant/Toddler (0-36 months) or licensed Group (30 months to School Age) child care spaces;
- Creation of spaces by public sector organizations, local governments, band/tribal councils and/or First Nations governments through direct delivery or in partnership with a non-profit child care provider;
- Creation of spaces on school grounds (including K-12 and post-secondary);
- Spaces serving vulnerable populations (e.g. low-income families);
- Spaces serving children requiring extra support (as defined in the Child Care Licensing Regulation);
- Spaces serving Indigenous communities;
- Spaces serving newly landed immigrants and/or refugees;
- Spaces serving young parents (25 years and under); and/or
- Spaces offered outside of core business hours (e.g. evenings, early mornings, weekends, etc.).

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

### 3. FUNDING

The Province will provide a maximum provincial contribution to the project based on the type of applicant approved for funding. The applicant's level of contribution depends on the type of organization (see Table 1). Organizations may contribute more than the minimum required contribution. *Contributions by applicants* may include funding from other sources such as monetary gifts, lines of credit, bank loans, and in-kind contributions, such as land.

The *Province's funding contribution* will be considered for the difference between the proponent's total financial contribution and the total project costs, up to the maximum funding contribution available for the applicant type.

#### 3.1. Applicants, Contribution Percentages, Maximum Provincial Funding Contribution, and Funding Award Commitment

**Table 1: Contribution Percentages and Funding Award Commitment by Applicant Type**

Applicant Type	Organization Contribution	Provincial Contribution	Maximum Provincial Funding Contribution	Funding Award Commitment*
Public sector <sup>1</sup> organizations including local governments, school boards, public post-secondary institutions, band/tribal councils and/or First Nations governments directly operating a child care <i>or</i> partnering with a non-profit child care provider	0%	100%	Up to \$1,000,000	Up to 15 years
Indigenous organizations <sup>2</sup> ,	0%	100%	Up to \$500,000	Up to 10 years
Child development centers	0%	100%	Up to \$500,000	Up to 10 years
Non-profit child care organizations	10%	90%	Up to \$500,000	Up to 10 years
Private sector child care organizations	25%	75%	Up to \$250,000	Up to 10 Years

\*Proponents are required to adhere to the following award commitments:

<sup>1</sup> As defined in Appendix B.

<sup>2</sup> As defined in Appendix B.

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

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- For projects under \$50,000 the recipient of funding must commit to continuing the child care operation for a minimum period of five years.
- For projects between \$50,000 and \$500,000, the recipient of funding must commit to continuing the child care operation for a minimum period of ten years.
- For all projects over \$500,000 the recipient of funding must commit to continuing the child care operation for a minimum period of fifteen years.
- Projects \$50,000 and over, and where the recipient owns the land and/or building, may also be subject to the *Human Resource Facility Act (HRFA)*.

Under the HRFA, the Ministry has authority and responsibility to create and maintain a pool of resource facilities, as well as provide financial accountability and security of the taxpayer's investment. The Minister is able to place a notation on the title, which restricts the sale, transfer, mortgage, lease or other disposition of the facility without written consent of the Minister. If the human resources function ceases prior to the end of the Funding Agreement term, the recipient may be required to repay some of the funding provided, as per the Funding Agreement.

The Assets and Facilities Management branch ensures that Ministry funding investments of \$50,000 or more are additionally protected by having the properties in question subject to the HRFA. The HRFA allows the Ministry to place legal notations on the property titles of recipients of the New Spaces Fund. This will restrict the sale, mortgage, or transfer of the property without prior approval of the Ministry.

The Ministry will approve removal of the legal notation once recipients of the Childcare BC New Spaces Fund:

1. Have met their service delivery obligations as per the Funding Agreement; or
2. If the child care operation is closed prior to meeting the service delivery obligation, repay to the Ministry the portion of the depreciated funding still owing as per the Funding Agreement.

Organizations who receive funding through the Childcare BC New Spaces Fund are required to:

1. Offer and/or provide service to families eligible for the Child Care Subsidy program (or the Affordable Child Care Benefit effective September, 2018);
2. Ensure services are accessible to children who require extra supports (as defined in the Child Care Licensing Regulation) and establish policies to support inclusion;
3. Complete a financial reconciliation form provided by the Province upon completion of the project;
4. Apply to the Child Care Operating Funding (CCOF) program once the spaces become operational; and
5. Commit to enroll in the Child Care Fee Reduction Initiative (CCFRI), where eligible.

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

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**Note:** For more information regarding the CCOF and CCFRI requirements, please review the Addendum at the end of this program guide. Additional information is also available on the [Ministry's website](#).

### 4. PROPONENT SELECTION AND AWARD PROCESS

- 1) Proponents submit a completed application form with mandatory supporting documentation (see details in Table 2).
- 2) The Province screens applications for administrative deficiencies and will provide proponents with an opportunity to address those administrative deficiencies in accordance with Rectification (see Appendix A, Clause 8.11).
- 3) The Province evaluates the applications based on the evaluation criteria set out in Evaluation Criteria (Section 4.1).
- 4) The Province selects the highest scoring proponents and invites them to enter into a Funding Agreement with the Province. For unsuccessful proponents, debriefing sessions can be scheduled upon request.
- 5) Under the terms of the Funding Agreement, recipients of funding will receive their award in two installments, with payment amounts determined by a percentage of the total funding award (e.g. 90%/10% for all proponents other than private sector organizations; and 80%/20% for private sector organizations). All recipients of funding will receive the first payment upon signing the Funding Agreement, and the second payment at the time project is complete and operational, and meets requirements #3, #4 and #5 listed at the bottom of Section 3.1. For more information, please review the addendum at the end of this program guide.

#### 4.1. Evaluation Criteria

Proponents will be evaluated on (but not limited to) the following criteria:

- A completed application, including all mandatory supporting documentation;
- Proposed child care facility location/community;
- Type of licensed child care spaces to be created (e.g. Infant/Toddler);
- Community need as demonstrated by the proponent's supporting documentation and as determined by the Province;
- Community demographics;
- Organizational experience, including:
  - The number of retained spaces;
  - Involvement/connection to the local community;
  - Parental involvement in the organization.

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

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- Consideration has been made to principles of universal and accessible design, and commitment to [accessibility](#);
- Financial considerations, including eligibility and reasonability of project costs, and estimated provincial cost per space; and
- Community support.

### 5. ELIGIBLE AND INELIGIBLE PROJECT COSTS

Funding will be considered for:

- building a new child care facility;
- the purchase of and/or assembling a modular building;
- site development costs; and/or
- renovation to an existing building/space or classroom.

Ineligible project costs will not be funded. The Province has the sole discretion and reserves the right to determine items that may receive funding.

#### 5.1. Eligible Project Costs

- Direct costs related to development and implementation of the project.
- Consulting services, including:
  - Project management;
  - Design/engineering costs;
  - Business planning development; and
  - Project-related professional fees (e.g. architectural)
- Infrastructure costs (e.g. water/sewer/road/sidewalk)
- Feasibility studies related directly to the project
- GST and PST
- Training activities as part of the eligible project or to support the project (i.e. WHMIS, Food Safe, First Aid etc. if applicable)
- Capital purchases that are essential to project implementation, including:
  - Office equipment;
  - New or updated software/technology required to run child care operations;
  - Large appliances (e.g. fridge, stove, dishwasher etc.)
  - Furniture and equipment (e.g. change tables, strollers, room dividers)
  - Buses, vans (transport for childcare purposes)
  - Fixtures and equipment required by fire regulations (e.g. fire alarms, exit signs, fire extinguishers)

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

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- Permanently installed equipment (e.g. whiteboards/bulletin boards, cubbies, lighting fixtures, washrooms dividers)
- Large educational materials (e.g. sand/water tables, art easels)
- Dramatic play furniture (e.g. activity tables, Indigenous drums/drumming logs, child-size sink/stove/fridge/work bench)
- Housewares (e.g. pots/pans, dishes, flatware, brooms, garbage cans, diaper disposal units)
- Indoor play structures (e.g. climbers, tunnels, mats, cushions)
- Permanent outdoor equipment (e.g. fencing, covered entrance, outdoor playground prep)
- Outdoor play equipment (e.g. nature-based landscaping, climbers, basketball hoop, wheeled toys)
- Accessibility equipment (e.g. wheelchair ramps, lifts, accessible playground equipment, automated doors, modified bathroom equipment)
- Equipment or other capital costs where no building, renovation, or site development costs were incurred, if the equipment is required in order to:
  - Allow the facility to become licensed under the *Community Care and Assisted Living Act* and the Child Care Licensing Regulation;
  - Allow the facility to become operational; or
  - Create new spaces in an existing facility, and ensure those new spaces are compliant with the *Community Care and Assisted Living Act* and the Child Care Licensing Regulation.

### 5.2. Ineligible Project Costs

- Costs incurred outside the time periods for the project as outlined in the application
- Costs incurred prior to the signing of a funding agreement
- Non-capital items such as toys, art supplies, books, games, and small appliances
- Project contingency costs
- Legal costs
- Project related fees payable to the eligible applicant
- Ongoing costs for existing staff salaries and benefits
- Costs related to attending conferences and trade shows
- Directly meeting and/or lobbying of any level of government
- Coordinating/hosting conferences/events
- Vehicles (other than child transport buses or vans)
- Remuneration and travel of elected officials
- Meals and project travel related expenses
- Academic research

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

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- Financing costs and interest charges
- Costs related to purchasing of land, buildings and/or commercial space (with the exception of modular buildings).

### 6. HOW TO APPLY

- Complete the [application form](#) which is available online and ensure all sections are complete.
- Each application must include the mandatory supporting documentation, based on the applicant type (see Table 2).
- All mandatory supporting documentation must be specific to the legal entity applying for the funding and may not be supplied by a parent company or subsidiary.
- By submitting an application, proponents agree to the terms and conditions governing the Childcare BC New Spaces Fund (Section 8) and the service delivery commitments (Section 3.1).
- Email the application and all supporting documentation to [MCF.CCCF@gov.bc.ca](mailto:MCF.CCCF@gov.bc.ca).

**Table 2: MANDATORY SUPPORTING DOCUMENTATION BASED BY APPLICANT TYPE**

Applicant Type	Application and Mandatory Documentation Requirements
<b>Public sector organizations including local governments, school boards, public post-secondary institutions, band/tribal councils and/or First Nations governments partnering with a non-profit child care provider or directly operated by the public sector organization</b>	<ul style="list-style-type: none"> <li>• Application form</li> <li>• Order of magnitude cost estimates (completed by facilities project manager) or project budget</li> <li>• Evidence of financial commitment to the project (if total project costs surpasses maximum provincial funding amount)</li> <li>• Floor plans, site plans, outdoor space plans (conceptual drawings accepted), including details of square meters for retained and new spaces</li> <li>• Documentation to support community need (optional)</li> <li>• Copy of <i>Community Care and Assisted Living Act</i> licence(s) for projects proposing to expand an existing child care facility (if applicable)</li> <li>• Confirmation of partnership with a non-profit child care provider (if available at time of application)</li> <li>• If the project is on school district property, provide the current and projected utilization report Attestation from the School Board</li> </ul>

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

<p><b>Indigenous organizations<sup>3</sup>,</b></p>	<ul style="list-style-type: none"> <li>• Application form</li> <li>• Proof of ownership/lease agreement (if applicable)</li> <li>• Evidence of financial commitment to the project (if total project costs surpasses maximum provincial funding amount)</li> <li>• Project budget with cost estimates (estimates must be completed by third party at arm's reach from project)</li> <li>• Floor plans, site plans, outdoor space plans (conceptual drawings accepted), including details of square meters for retained and new spaces</li> <li>• Documentation to support community need (optional)</li> <li>• Copy of <i>Community Care and Assisted Living Act</i> licence(s) for projects proposing to expand an existing child care facility (if applicable)</li> <li>• Confirmation whether the facility will be operated by the Indigenous organization, band/tribal council or First Nations government (as the licensee); or by a third party operator</li> </ul>
<p><b>Non-profit child care organizations (including child development centres)</b></p>	<ul style="list-style-type: none"> <li>• Application form</li> <li>• Proof of ownership/lease agreement (if applicable)</li> <li>• Proof of financial standing from a recognized financial institution</li> <li>• Source and proof of all financial contributions to the project (i.e. gift in-kind; receiving another grant, provide source and proof of grant or proof of application of grant)</li> <li>• Floor plans, site plans, outdoor space plans (conceptual drawings accepted), including details of square meters for each space</li> <li>• Project budget with cost estimates (estimates must be completed by third party at arm's reach from project)</li> <li>• Two detailed quotes for each budget item (i.e. site development, equipment and building development costs)</li> <li>• Documentation to support community need (optional)</li> <li>• Copy of <i>Community Care and Assisted Living Act</i> licence(s) for projects proposing to expand an existing child care facility (if applicable)</li> <li>• Reference of community support (e.g. letter from local government, school district, etc.)</li> </ul>

<sup>3</sup> As defined in Appendix B.

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

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<b>Private Sector Child Care Organizations</b>	<ul style="list-style-type: none"><li>• Application form</li><li>• Proof of ownership/lease agreement (if applicable)</li><li>• Proof of financial standing from a recognized financial institution</li><li>• Source and proof of all financial contributions to the project (i.e. gift in-kind; receiving another grant, provide source and proof of grant or proof of application of grant)</li><li>• Floor plans, site plans, outdoor space plans (conceptual drawings accepted), including details of square meters for each space</li><li>• Project Budget with cost estimates (estimates must be completed by third party at arm's reach from project)</li><li>• Two detailed quotes for each budget item (i.e. site development, equipment and building development costs)</li><li>• Copy of <i>Community Care and Assisted Living Act</i> licence(s) for projects proposing to expand an existing child care facility (if applicable)</li><li>• Documentation to support community need (optional)</li><li>• Reference of community support (e.g. letter from local government, school district, etc.)</li></ul>
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**Note:** For projects on school grounds or on district owned land, a school district must apply. The Province reserves the right to verify all information with third party sources. Additional information may be requested during the application process.

### 7. CONTACT INFORMATION & ENQUIRIES

The application and the [Frequently Asked Question \(FAQ\)](#) document are available on the program webpage: [www.gov.bc.ca/childcare/newspacesfund](http://www.gov.bc.ca/childcare/newspacesfund). Proponents can email [MCF.CCCF@gov.bc.ca](mailto:MCF.CCCF@gov.bc.ca) or telephone the program at 1-888-338-6622 (Option 5). Information obtained from any other source is not official and should not be relied upon. Enquiries and any responses providing new information may be posted to the webpage or otherwise distributed to prospective proponents at the Province's discretion.

### **8. APPENDIX A - TERMS AND CONDITIONS**

The following terms and conditions apply to submissions by all Proponents of the Childcare BC New Spaces Fund. A Proponent's Application indicates acceptance of all the terms that follow.

#### **8.1. Non-binding Process**

The Application process is not intended to create and shall not create a formal legally binding bidding process and shall instead be governed by the law applicable to direct commercial negotiations. For greater certainty and without limitation: (a) the Application Process shall not give rise to any "Contract A" based tendering law duties or any other legal obligations arising out of any process contract or collateral contract; and (b) neither the Proponent nor the Province shall have the right to make any claims against the other with respect to the award of a contract, failure to award a contract or failure to honour an Application and/or Submission or any other claims based on a breach of "Contract A" or other tendering law duties or obligations.

The Application process is intended to identify prospective suppliers for the purposes of negotiating a potential agreement. No legal relationship or obligation regarding the provision of any good or service shall be created between the Proponent and the Province by the Application or Submission process until the successful negotiation and execution of a written agreement for the acquisition of such goods or services. While the pricing information provided in the Application will be non-binding prior to project selection and execution of a written agreement, such information will be assessed during the evaluation of the Application. Any inaccurate, misleading or incomplete information, including withdrawn or altered pricing, could adversely impact any such evaluation, or contract award.

#### **8.2. Province Discretion to Waive Deficiencies**

The Province will be under no obligation to disqualify an Application or reject a Submission that fails to comply with a stated rule or requirement and may allow the Proponent to rectify administrative deficiencies. This is the case even where the terms "must", "shall", "will" or "mandatory" are used in the program guidelines.

#### **8.3. Proponent Representations and Warranties**

The Province may disqualify the Proponent or rescind an Agreement subsequently entered into if the Proponent's Application contains misrepresentations or any other inaccurate, misleading or incomplete information.

#### **8.4. Province Due Diligence**

The Province may, in its sole discretion, verify the information provided in the Proponent's Application. If in the sole discretion of the Province, the Province determines that the Proponent's Application and/or Submission contains misrepresentations or any other inaccurate,

misleading or incomplete information, the Province may disqualify the Proponent from the Application process. The Province may consider the Proponent's past performance on previous contracts with the Province and other such reference checks as the Province deems appropriate.

### **8.5. Proponents to Review All Documents**

It is the Proponent's responsibility to examine all of the documents comprising Childcare BC New Spaces Fund Program Application and report any errors, omissions or ambiguities and seek additional information, by contacting the Ministry.

### **8.6. No Liability for Errors**

While the Province has used reasonable efforts to ensure the accurate representation of information in this funding program, such information is supplied solely for Proponents. The Province does not warrant or guarantee the accuracy of such information, nor is such information necessarily comprehensive or exhaustive. Nothing in this application process is intended to relieve Proponents from the obligation to conduct their own due diligence, form their own opinions, and reach their own conclusions at all stages of the application process.

### **8.7. No Incorporation by Reference**

The entire content of a Proponent's Submission should be contained within the Application. The content of websites or other external documents referred to in the Proponent's Submission will not be considered to form part of its Submission. The Province is under no obligation to seek out information not contained in a Proponent's Application or supporting documentation.

### **8.8. Working Language of the Province**

All Applications should be submitted in English. The Province is under no obligation to translate any Application or any part thereof from any language into English; and the Province is under no obligation to review any Application or any part thereof, in a language other than English.

### **8.9. Applications from a Single Entity**

The Province will only accept Applications from a single legal entity that will act as the main contact to the Province in respect of the application process and for the purposes of performing any Agreement. However, a Proponent may provide an application or supporting documentation naming subcontractors so long as the Proponent agrees to take sole responsibility for the Agreement. For greater certainty, Applications should not be submitted by joint ventures.

### **8.10. Changes to Application or supporting documentation**

A Proponent is not bound by its application and/or submission and, by submission of a clear and detailed written notice to the program, a proponent may withdraw at any time throughout the duration of the application process before entering into an Agreement.

### **8.11. Rectification**

The Province may at its discretion offer a rectification process to allow Proponents to correct administrative deficiencies in their application and/or supporting documentation. Proponents that are notified of administrative deficiencies will be provided opportunity to address the deficiency. Proponents failing to respond to notification of deficiencies will be assessed on the initial Application or eliminated from the process at the Province's discretion after a period of 2 months from the date of last contact between the applicant and the program.

### **8.12. Changes to Requirements**

The Province may change and/or update portions of the program guidelines that are relevant to a particular stage in the process at any time. Further, the Province may close the application intake, in whole or in part, at any time in its sole discretion and without liability, without negotiating or entering into an agreement under this application process, and may subsequently obtain the Solution, including any goods or services, by any other means or do nothing.

### **8.13. Additional Information**

All addenda, for the application process, will be posted to the program webpage according to where the original documents are made available to Proponents. It is the sole responsibility of the Proponent to check for addenda on the webpage.

### **8.14. Debrief Session**

Unsuccessful Proponents may request a debriefing meeting with the Province at the conclusion of the evaluation process and after notification of the Ministry's decision.

### **8.15. Information Provided**

Proponents will have the opportunity to request additional information and to request clarification of information provided. The Province, at any stage, may choose in its sole discretion not to respond, respond in whole or in part, or reformulate questions. The Province may in its

sole discretion choose whether to post any such questions and responses to the program webpage as appropriate.

### **8.16. Conflict of Interest and Lobbying**

A Proponent may be precluded from participating in the application process if the Proponent's current or past corporate or other interests or activities, or those of a proposed subcontractor, may, in the Province's opinion, give rise to an actual, potential or perceived conflict of interest in connection with the services described in the program. This includes, but is not limited to, involvement by a Proponent in the preparation of the application or a relationship with any employee, contractor or representative of the Province involved in preparation of the application, participating on the evaluation committee or in the administration of the Agreement and those involved in the development of this funding program. If a Proponent is in doubt as to whether there might be a conflict of interest, the Proponent should consult with the program prior to providing an Application. By providing an Application, the Proponent represents that it is not aware of any circumstances that would give rise to a conflict of interest that is actual, potential or perceived, in respect to the Intake.

### **8.17. Costs of Process**

The Proponent and the Province will each bear their own costs associated with or incurred through the application process, including any costs arising out of or incurred in: (a) the preparation and issuance of the program; (b) the preparation and issuance of an Application and/or Submission; (c) the evaluation process; and (d) participation in due diligence activities, interviews, demonstrations, discussions, presentations, negotiations or any other activities related to the application process.

### **8.18. Communication with Media**

The Proponent may not at any time directly or indirectly communicate with the media in relation to the application process or any agreement negotiated pursuant to the application without first obtaining the written permission of the Province prior to the Provincial public announcement.

## 9. ADDENDUM: FOR PROPONENTS OF THE CHILDCARE BC NEW SPACES FUND

### 9.1. Purpose of this Addendum

This addendum provides an overview of the requirements for recipients of Childcare BC New Spaces Fund regarding mandatory enrolment (for the licensed child care providers that will operate the new spaces) in the [Child Care Operating Funding \(CCOF\) program](#) and the [Child Care Fee Reduction Initiative \(CCFRI\)](#). This is a **new requirement** for the 2018/19 year, and applies only to those Proponents proposing to build spaces which are eligible to enroll in the CCFRI. Spaces eligible for the CCFRI include any of the following child care license types:

- Group Child Care (under 36 months);
- Group Child Care (30 months to School Age);
- Family Child Care;
- Multi-Age Child Care; and/or
- In-home Multi-Age Child Care.

### 9.2. Overview of New Requirements

In order to ensure the new licensed child care spaces are affordable for families, Proponents to the Childcare BC New Spaces Fund proposing to use the funding to build spaces that are eligible to enroll in the CCFRI will be required to build spaces that will be eligible to enroll (and maintain enrolment for a minimum of one CCOF contract term) in the Province's new CCFRI once they become operational.

All Proponents to the Childcare BC New Spaces Fund looking to create spaces eligible to enroll in the CCFRI are, at the time of completion of the funded project and prior to the receipt of the final payment, required to:

- Apply to the CCOF program,
- Apply and **be approved** to enroll the new spaces in the CCFRI, and
- Maintain active enrolment in both the CCOF program and the CCFRI for a minimum duration of one CCOF contract term, unless extenuating circumstances (as outlined in the CCOF funding agreement) apply.

Childcare BC New Spaces Proponents not creating spaces eligible to enroll in the CCFRI and Proponents who will be building spaces offered at no-cost to families are exempt from the CCFRI requirement.

Additionally, Proponents creating child care spaces that will charge no or very low child care fees, such as Aboriginal Head Start Programs, are not required to enroll in the CCFRI. Eligibility

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

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for this exception is at the sole discretion of the Ministry; applicants may contact the Ministry for more detail: [MCF.CCCF@gov.bc.ca](mailto:MCF.CCCF@gov.bc.ca) or 1-888-338-6622, option 5.

Childcare BC New Spaces Fund Recipients should allow for sufficient time to complete all the requirements to receive their final New Spaces Fund payment, which include (but may not be limited to):

- Working with their local Health Authority Community Care Facility Licensing program to obtain or update their *Community Care and Assisted Living Act* Facility Licence;
- Applying and being approved for both CCOF and the CCFRI;
- Submitting documentation of CCOF and CCFRI approval to the New Spaces Fund.

Licensed child care Providers operating the new spaces that were built using New Spaces Funding are required to maintain enrolment in CCOF and the CCFRI for a minimum of one CCOF contract term following receipt of the final New Spaces Fund payment paid by the Ministry to the Recipient. If a Provider does not enroll, becomes ineligible or withdraws from CCOF and/or the CCFRI prior to one CCOF contract term, the New Spaces Fund Recipient will be required, under the terms of their New Spaces Fund contract, to repay their final New Spaces Fund payment to the Ministry. Additionally, the Provider will be subject to any withdrawal penalties which apply under the terms of their CCOF Funding Agreement with the Ministry, including repaying any CCFRI payments provided after the facility became ineligible to receive CCFRI by double the amount overpaid.

Please note, CCOF and CCFRI eligibility criteria and assessment processes are subject to change as the Ministry continues to improve the application process to better meet the needs of families and child care providers. **Recipients for the Childcare BC New Spaces Fund are responsible for ensuring the Provider operating the new spaces will be able to meet the eligibility requirements for CCOF/CCFRI, and are also responsible for ensuring they remain current on the [policy requirements for each program](#).**

The following section outlines the 2018/19 CCFRI policy, and was updated September 2018. Additional information regarding CCOF and the CCFRI is available on the Ministry's website. Recipients are responsible for ensuring they are familiar with the applicable CCOF and CCFRI policy.

### 9.3. 2018/19 CCFRI Policy

#### i. Childcare BC New Spaces Fund Proponents

Providers operating the new spaces built through the Childcare BC New Spaces Funding are required to apply and be approved for both CCOF and the CCFRI prior to the Recipient receiving their final payment from the New Spaces Fund. The next section for more information on eligibility and assessment for Providers with and without documented fee histories.

The Ministry encourages Recipients of New Spaces Funding to work with their Providers (in cases where the recipient is not directly providing the service) to plan the child care fee schedules so that they will meet the requirements of the CCFRI once their spaces become operational. However, the Ministry acknowledges Recipients may experience exceptional

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

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circumstances during the construction of the new child care spaces that may result in higher than originally anticipated monthly fees in order to recoup costs. In such cases, the Ministry may, in its sole discretion, grant an exception and accept the provider to participate in the CCFRI. Please note that such an exception will be granted only in cases in which the Recipient can demonstrate that they are experiencing exceptional circumstances, and that the fees requested must be proportional to the relevant expense and amortized over a reasonable period of time. Acceptable exceptional circumstances include, but are not limited to:

- Unexpected, unplanned, and significantly expensive maintenance, repairs, or replacement of equipment due to damage or health and safety concerns that is not sufficiently covered under the Childcare BC Maintenance Fund;
- A sudden and unexpected rent/lease or mortgage increase;
- A sudden and unexpected increase in operational expenses;
- A sudden and unexpected loss of revenue routinely received from a source other than parent fees or government funding; and/or
- A sudden or unexpected increase/pressure outside of the control of the provider that impacts the facility's ability to remain operational.

### ii. **CCFRI Eligibility and Assessment**

At the time of enrolment, existing licensed providers with a documented fee history are required to confirm their monthly parent fees both currently and in the seven months before application for each type of care, and confirm any planned parent-fee increases for the duration of the contract term.

New child care providers without a documented fee history are required to confirm the monthly parent fees that will be charged once the facility is operational, and confirm any planned parent-fee increases for the duration of the contract term.

If a provider has increased their fees within the past seven months or plans to increase fees over the contract term, the ministry will review the application further to ensure the intended benefit to families is not being unreasonably diluted. Such a review may include determining whether the fee increase is similar to the provider's historical increases, whether the increase is in line with other fees in the region, and/or whether the increase is due to bona fide, material, and unexpected expenses. Please refer to the [FAQs for Parents and Providers](#) for more information.

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

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### 10. APPENDIX B - DEFINITIONS

**Application:** means a complete application form and mandatory supporting documentation.

**Application intake start date:** means the first day an application is eligible to be received

**Approved funding submission:** means a submission that has been selected to enter into a Funding Agreement with the Province, following an evaluation.

**Asset:** means something that is purchased and has value. An asset includes, but is not limited to, a financial contract (such as land or building space) or physical object (such as equipment) that has positive economic value. An asset does not include architect, lawyer, or accountant fees, or costs necessary to secure a permit or a licence. Assets acquired prior to approval of the Funding Agreement will not be considered for funding.

**Authorized signing authority:** means the individual(s) authorized to sign contracts, leases, agreements, etc. on behalf of the sponsoring organization.

**Building costs:** means expenses incurred by a contractor for labour and material.

**Budget:** means a detailed estimate of the costs to complete the project, determined where necessary by cost estimates provided by contractors, engineers, architects, or others, including eligible equipment, in accordance with the plans and specifications, provided to and approved by the Province.

**Child care facility:** means the physical building, facility or area of land on which these improvements sit and the Proponent occupies and uses, or proposes to occupy and use, for the purpose of its child care operation.

**Child care operation:** means the delivery of child care services in a licensed facility.

**Child Care Operating Funding Program (CCOF):** means operating funding provided by the Ministry to eligible licensed child care facilities.

**Child Care Fee Reduction Initiative (CCFRI) –** means additional CCOF provided to eligible licensed child care facilities for the purpose of reducing parent monthly fees by up to \$350/month.

**Child Care Space Creation –** means creating new licensed child care spaces that do not already exist, a space would be a full time space or two part time spaces (e.g. a morning preschool space and an afternoon preschool space, would represent one full time child care space).

**Child Development Centre –** means an agency contracted by the Ministry of Children and Family Development to deliver therapy services to children with special needs (occupational therapy, physiotherapy, and speech language therapy). Some of these agencies are also contracted by the Ministry to deliver Infant Development and/or Supported Child Development programs, including Aboriginal IDP and SCD programs.

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

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**Co-located or In a Hub Child Care Facility:** means the creation of licensed child care spaces co-located with other family support programs in community based settings (e.g. Early Years Centres, recreation centres, community hubs, etc.).

**Directly-operated:** means a child care facility that is owned and operated by a public sector organization.

**Equipment costs:** mean eligible equipment necessary to operate a child care facility (section 5.1).

**Funding Agreement** – means the contract between the Ministry and the proponent to receive New Spaces Funding for the purpose of supporting the creation of licensed child care spaces.

**Human Resource Facility Agreement:** means an agreement made by the Minister or any agent of the government with a person who has received or is to receive assistance to acquire, develop or operate a human resource facility. The HRFA allows the Ministry to place legal notations on funding recipients' property titles - restricting the sale, mortgage, or transfer without prior approval of the Ministry.

**Indigenous Organization:** means an organization governed by a majority (51%) of Indigenous/Aboriginal individuals (e.g. a band, a Friendship Centre, a Métis organization etc.) OR an organization owned and/or managed at least 51% by Indigenous people. NOTE: This definition is for the purposes of the intake guidelines only.

**Licensed child care spaces:** means the number of spaces as reported on a Community Care Facility Licence issued under the *Community Care and Assisted Living Act*.

**Maximum Provincial Funding Contribution:** means the maximum funding amount the province will provide for the proposed/approved project to create new licensed child care spaces.

**Ministry:** means the Ministry of Children and Family Development.

**Non-profit organizations:** means non-profit societies in good standing with BC Corporate Registry, local government (including school boards), public institutions, band/tribal councils, and Indigenous and/or First Nations governments. A non-profit organization is a legal entity separate from its members and directors formed for purposes other than generating a profit to be distributed to its members, directors or officers. A non-profit corporation can be a church or church association, school, charity, medical provider, activity clubs, volunteer services organization, professional association, research institute, museum, or in some cases a sports association.

**Organization contribution:** means the financial contribution required by the organization as set out in section 4.1: Contribution Percentages and Maximum Amounts. Volunteer labour will not be considered as part of the organization's contribution.

**Partnership:** Public sector organizations working with non-profit organizations to deliver child care services. This could be formal or an informal partnership arrangement.

## CHILDCARE BC NEW SPACES FUND PROGRAM 2018/19 REQUIREMENTS

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**Plans and specifications:** means all the detailed plans, drawings, and specifications for the work required to carry out and complete the proposed project and/or to acquire the assets for use in implementing the project.

**Private sector organizations:** includes sole proprietors, partnerships, incorporated and limited companies. Private sector organizations refer to any person, partnership, corporation, association or agency which is not a public body that is operated for profit.

**Program:** means the Childcare BC New Spaces Fund Program (formerly Major Capital Funding), Ministry of Children and Family Development.

**Professional fees:** mean fees charged by individuals trained in specific fields such as architects.

**Project commencement date:** means the date the project breaks ground or renovations started.

**Project completion date:** means the date the project has been completed in accordance with the approved plans, specifications, and budget, and is capable of being licensed under the *Community Care and Assisted Living Act*.

**Project costs:** means all the amounts to be paid by the proponent to any person, firm, or corporation dealing at arm's length with the proponent, for construction of the project or acquisition of its components and which, in the opinion of the Province, have been necessarily and properly incurred. (See also Total Project Costs)

**Project schedule:** means a detailed timetable and schedule of construction or preparation of the work referred to in the application and supporting documentation, and the time period within any such work or part or aspect thereof is proposed to be commenced, carried out, and completed.

**Proponent:** means a person who puts forward an application.

**Provider:** means child care providers licensed under the Child Care Licensing Regulation.

**Public Sector Organization:** means organizations which are created to provide programs and services by or on behalf of the B.C. government.

**Recipient:** means proponents that receive funding through the Childcare BC New Spaces Fund to build new licensed child care spaces.

**Site Development Costs:** mean expenses incurred to prepare a plot of land for the construction a child care facility.

**Total Project Costs:** means the sum total of project site development costs, building costs, equipment costs and professional fees.