MINISTRY OF CHILDREN AND FAMILY DEVELOPMENT

Childcare BC
New Spaces Fund

Funding Guidelines
2020/21

BRITISH COLUMBIA
These funding guidelines are effective July 2, 2020.

PLEASE NOTE

The Ministry will assess all applications received after this date in accordance with the selection requirements for the appropriate stream and the principles contained in this document as part of the second call for applications described in section 5.

applicants who submit the previous version of the application template will be provided the opportunity to reapply with the revised application form.

Please contact the program area if you have questions at

MCF.CCCF@gov.bc.ca or 1-888-338-6622 (option 5).
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1. Introduction

Since launching in July 2018, the Childcare BC New Spaces Fund has been accelerating the funding of new licensed child care, helping families who want and need to access affordable, quality child care and strengthening communities across B.C.

Since the increase in the provincial funding amounts in July 2019 (up to $3M for public sector projects and up to $1.5M for Not for Profit projects) the Program has experienced a marked increase in the volume and quality of applicants from across the province. While the first call for applications are still being assessed, the number of applications received demonstrates the continued demand for child care investments.

Building on this result, the second call for applications will continue in the third year of Government’s space creation commitment. Through the New Spaces Fund, the Ministry of Children and Family Development (the Ministry) is seeking to maximize the number of spaces in high-need areas across the province by sharing best practices gathered to date and making changes to the program. These changes enable an increased focus on community planning and needs, clarifies the prioritization of provincial funding per child care space created, and limits professional, administrative and consulting costs that can be funded by government.

1.1 Summary of Key Changes for 2020/21

The objective of the changes to the program for fiscal 2020/21 is to ensure the Ministry invests in community-based child care in areas with the greatest needs and where these investments can produce the greatest number of quality licensed child care spaces. These changes include:

- The offering of two calls for applications – the first of which closed in May 2020 and a second closing in November 2020;
- Priority for projects with a provincially-funded cost-per-space of under $40,000 to ensure the fund creates as many spaces in as many communities as possible;
- Limiting the costs attributed to professional, administrative and consulting services to no more than 15% of the total provincially-funded Project Costs;
- The funding disbursement schedule will be customized for each project, as negotiated between the Ministry and successful applicants; and

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1 The two calls for Applications replaced the 2019/2020 open intake process.
• An increased focus on projects linked to a Community Child Care Plan or Child Care Needs Assessment that demonstrates alignment between the proposed child care spaces and community needs.

1.2 Key Dates

Table 1: 2020/2021 Childcare BC New Spaces Fund Anticipated Key Dates

<table>
<thead>
<tr>
<th>Phase</th>
<th>Date(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call for applications Open Date</td>
<td>July 2nd, 2020</td>
</tr>
<tr>
<td>Second Call Closure Date</td>
<td>November 1st, 2020</td>
</tr>
<tr>
<td>Internal Review</td>
<td>November 2nd, 2020 – February 1st, 2021</td>
</tr>
<tr>
<td>Second Decision Point²</td>
<td>February 2021</td>
</tr>
</tbody>
</table>

Please note: All applications received later than 4:30pm November 1st, 2020 will not be considered for the second call for applications (See Appendix A, 8.13).

² At the time of the second decision point, successful applicants will be notified and invited to enter into a New Spaces Funding Agreement.
2. Who Can Apply?

2.1 Eligible Organizations
- Public sector organizations including:
  - Local governments;
  - School boards;
  - Health Authorities; and
  - Public post-secondary institutions;
- Indigenous Governments;
- Non-profit societies and Indigenous non-profit societies; and
- Businesses and corporate companies (including partnerships, sole proprietors, limited companies and incorporated companies).

2.2 Ineligible Organizations and Projects
Ineligible organizations include those that:
- Are not in good standing with the Ministry (i.e. owe a debt to the Ministry without a Ministry approved repayment plan and/or have a repayment in arrears, and/or have a suspended or cancelled Early Childhood Educator/Early Childhood Educator Assistant Certificate);
- Are not registered and in good standing with the BC Corporate Registry (if applicable);
- Have a history of ongoing non-compliance (infractions/violations) under the *Community Care and Assisted Living Act* and Child Care Licensing Regulation; or
- Are not willing to apply for funding under the *Child Care Operating Funding* (CCOF) program and, where eligible, enroll in the *Child Care Fee Reduction Initiative* (CCFRI) once the spaces become operational.

Ineligible Projects include those:
- For child care spaces not eligible for licensing;
- For child care spaces solely for occasional child care;
- For child care spaces for child minding;
- For a project that is fully completed\(^3\) prior to signing the Funding Agreement;
- For relocating without the intent of creating new licensed child care spaces; or
- For projects that do not involve creating new licensed child care spaces.

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\(^3\) Fully completed projects are those that are licensed and ready to begin operation.
3. Priority Areas

While the intent of the Program is to support the creation of all types of licensed child care spaces, the Ministry will prioritize applicants that are able to demonstrate any of the following in their application:

- Creation of licensed child care spaces that align with the community’s child care needs, as demonstrated in the submitted Community Child Care Clan or Child Care Needs Assessment;
- Ability to begin construction within 4 to 8 months of approval of New Spaces Funding (exceptions may be considered at the Ministry’s discretion);
- Creation of spaces by public sector organizations or Indigenous Governments through direct delivery, or directly delivered by non-profit providers;
- Creation of spaces in underserved communities (based on Ministry data);
- Creation of spaces serving underserved populations including:
  - 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 children and families;
  - Spaces serving newly landed immigrants and/or refugees;
  - Spaces serving young parents (25 years and under); and/or
- Creation of spaces on school grounds (including K-12 and public post-secondary)\(^4\);
- Spaces offered outside of core business hours (i.e. before 6 a.m. and/or after 7 p.m., weekends, and/or overnight); and
- Priority will be given to projects with a Provincial cost per space of $40,000 or less.

For more information on the priority areas, please refer to the Program FAQs and the application Resource.

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\(^4\) For projects on school grounds or district owned land, the school district must apply.
4. Funding

Childcare BC New Spaces Fund grants are provided under the Child Care BC Act or the Human Resource Facility Act.

The Ministry will provide a Maximum Provincial Funding Amount to the Project, based on the eligible project costs (see Section 6.1) and the type of applicant approved for funding. The applicant’s level of contribution depends on the type of organization and the total Project Costs (see Table 2 below).

Organizations must make the minimum Required Organization Contribution, if applicable. Organizations may contribute more than the minimum Required Organization Contribution. Contributions by applicants may include funding from other sources, such as monetary gifts, credit sources, bank loans, and in-kind contributions such as land.

Organizations may supplement additional project costs with additional sources of funding. Other Childcare BC funding (e.g. Maintenance Fund, Start-Up Grants) will not be considered as part of an applicant’s Required Organization Contribution.

The Provincial Funding Amount will be considered for the total eligible Project Costs, up to the maximum funding contribution available for the applicant type. For example, if the organization was classified as a business or corporate company, the Ministry would provide 75% of the total eligible project costs, up to $250,000. The minimum Required Organization Contribution would be 25% of the total Project Costs. For a $400,000 Project, with eligible Project Costs totalling $300,000 and ineligible Project Costs totalling $100,000, the maximum Provincial Contribution considered would be $225,000 (i.e. 75% of the $300,000 eligible Project Costs). The organization would be required to make a minimum contribution of $100,000 (i.e. 25% of the $400,000 total Project Costs). To cover the remaining Project Costs (i.e. $75,000), the Organization may contribute more than the minimum Required organization Contribution (i.e. $100,000) or seek funding from additional sources.

Dependant on financial and or organizational structure (e.g. franchisee organization), recipients of the funding award, may be required to secure a financial guarantor. A financial guarantor provides an irrevocable and unconditional guarantee of the performance and satisfaction of all liabilities and obligations of the recipient under the funding agreement.
4.1 applicants, Contribution Percentages, Maximum Provincial Funding Amount, and Funding Award Commitment

Table 2: Contribution Percentages and Funding Award Commitment by applicant Type

<table>
<thead>
<tr>
<th>applicant Type</th>
<th>Required Organization Contribution as a % of TOTAL Project Costs</th>
<th>Provincial Contribution as a % of ELIGIBLE Project Costs</th>
<th>Maximum Provincial Funding Amount (^5)</th>
<th>Funding Award Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public sector organizations and Indigenous Governments</td>
<td>0%</td>
<td>100%</td>
<td>Up to $3,000,000</td>
<td>Up to 15 continuous years of providing licensed child care</td>
</tr>
<tr>
<td>Indigenous Non-Profit Societies</td>
<td>0%</td>
<td>100%</td>
<td>Up to $1,500,000</td>
<td>Up to 15 continuous years of providing licensed child care</td>
</tr>
<tr>
<td>Non-Profit Societies (including Non-Profit Child Care Providers, and Child Development Centres)</td>
<td>10%</td>
<td>90%</td>
<td>Up to $1,500,000</td>
<td>Up to 15 continuous years of providing licensed child care</td>
</tr>
<tr>
<td>Businesses and Corporate Companies</td>
<td>25%</td>
<td>75%</td>
<td>Up to $250,000</td>
<td>Up to 10 continuous years of providing licensed child care</td>
</tr>
</tbody>
</table>

Recipients of funding are required to adhere to the following minimum commitments:

- Projects under $50,000, commit to continuing the Child Care Operation for a minimum of 5 years;
- Projects between $50,000 and $500,000, commit to continuing the Child Care Operation for a minimum of 10 years; and,
- Projects over $500,000, commit to continuing the Child Care Operation for a minimum of 15 years.

Projects $50,000 and over, 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 may provide conditional funding grants and take steps to protect the taxpayer’s investment in projects for a set period. For example, the Minister can place a notation on the title, which restricts the sale, transfer, mortgage, lease and other disposition of the facility without written consent of the Minister. Additionally, if the child care operation fails to meet the minimum award commitment

\(^5\) The Provincial Funding Amount applies to a single physical location. Projects occurring within the same physical location are considered as a single project.
set out in the Funding Agreement with the Ministry, the recipient may be required to repay some or all of the funding provided, as set out in the Funding Agreement.

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

- Have met their minimum award commitment as set out in the Funding Agreement; or
- Have repaid the Ministry the portion of the funding still owing as per the Funding Agreement, in the event the child care operation is no longer operating as required before the minimum award commitment is met.

4.1.1 Cost-per-space
The Ministry is prioritizing projects with a Provincial cost per space of $40,000 or less. Projects with a cost per space over $40,000 will only be considered in exceptional circumstances, at the discretion of the Ministry, where there is clear evidence that the benefit of the project compensates for the increased cost-per-space.

4.2 Requirements
Organizations that receive funding through the Childcare BC New Spaces Fund are required to:

- Offer and provide child care service to families receiving the Affordable Child Care Benefit under the Child Care Subsidy Act;
- Ensure the physical space created by the funding and their child care services are accessible to Children Requiring Extra Support, and establish policies to support inclusion;
- Submit a Financial Reconciliation Package for the Project to the Ministry within 60 days of project completion, or such longer period as requested in writing and acceptable by the Ministry;
- Apply to the CCOF program for a minimum of one full CCOF term once the spaces become operational; and
- Commit to enroll in the CCFRI, where eligible, for a minimum of one full CCOF term once the spaces become operational.

Childcare BC New Spaces Fund recipients should allow for enough time to complete all the requirements listed in this section in order to receive the final installment of their funding. Meeting these requirements will require:

- Working with their regional health authority’s Community Care Facility Licensing program to obtain or update their Community Care and Assisted Living Act facility licence; and;
- Applying and being approved for enrollment in both CCOF and the CCFRI.
If, following payment of the final installment, a recipient becomes ineligible, or withdraws from CCOF and/or the CCFRI prior to the expiry of one CCOF contract term, the recipient will be required, under the terms of their New Spaces Funding Agreement, to repay their final installment of the New Spaces Fund grant to the Ministry. Additionally, the recipient will be subject to any withdrawal penalties that apply under the terms of their CCOF/CCFRI funding agreement with the Ministry.

Recipients of the Childcare BC New Spaces Fund are responsible for ensuring any sub-contracted child care provider operating the child care operation will be able to meet the eligibility requirements for CCOF and the CCFRI and are also responsible for ensuring sub-contractors remain current on the policy requirements for each program. Recipients remain ultimately responsible for ensuring that all obligations under the New Spaces Funding Agreement continue to be met regardless of whether it is the recipient that is running the child care operation or a contracted third party.

5. applicant Selection and Funding Process

Second Call for applications

1. applicants submit a completed application form with mandatory supporting documentation (see details in Table 3) for the second call for applications by no later than 4:30pm on November 1st, 2020.

2. The Ministry anticipates reviewing the applications for the second decision point from November 2nd, 2020 to February 1, 2021. During this internal review, the Ministry will screen applications for deficiencies (i.e. shortcomings or lack of information) and may provide applicants with an opportunity to address those deficiencies in accordance with the rectification process, depending on the nature of the deficiency (see Appendix A, 8.14).

   a. Following any rectification, the Ministry evaluates the applications based on the information set out in the Selection Criteria (see Section 5.1) and any other

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6 Applications received later than 4:30pm on November 1st, 2020 will not be considered for the second call for Applications (see Appendix A, 8.13).
principles, preferences, or requirements set out in these guidelines. Once all the applications have been considered, the Ministry selects the successful applicants.

b. In addition to requiring applicants to rectify deficiencies, applicants should note that the Ministry reserves the right to perform such additional investigations and to request such additional information as it deems necessary as part of the application review process. Failure on the part of an applicant to provide additional information to the Ministry if and when requested could result in a rejection of the applicant’s application.

3. All applicants will be notified of the outcome of their application in early February 2021, with successful applicants being invited to enter into a New Spaces Funding Agreement with the Ministry.

4. Successful applicants who wish to enter into a New Spaces Funding Agreement will then work with the Ministry to finalize the funding disbursement schedule based on their specific project. The funding disbursement schedule will be subject to Ministry approval, at the Ministry’s discretion.

5. Upon execution of the New Spaces Funding Agreement, the recipient will receive the New Spaces funding in accordance with the negotiated funding disbursement schedule and will be required to commence the project.

6. If the Ministry rejects an application for New Spaces Funding, then the Ministry will provide reasons for such rejection if requested by the unsuccessful applicant.

5.1 Evaluation Criteria

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

- A completed application, which must include all mandatory supporting documentation;
- Project viability, as determined by the Ministry (see Appendix A, 8.19);
- Readiness to begin the project;
- Financial considerations, including:
  - Eligibility and reasonability of Project Costs;
  - Estimated Provincial cost per space;
  - Portion of Project Costs committed to administrative, consulting and professional fees and or expenses; and
  - Sources of funds for the required Organization Contribution.
- Demonstration of the Project’s ability to:
  - Meet the priority areas listed in Section 3;

7 Applications will be evaluated on the accuracy and validity of the information provided.
8 Priority will be given to projects with a Provincial cost per space of $40,000 or less.
Satisfy the requirements set out in Section 4.2; and
Meet the Province’s child care objectives (see Appendix A, 8.20);

- Linkage to a Community Child Care Plan. Ideally, the plan will directly reference the proposed Child Care facility location and define community need for additional child care spaces through analysis of:
  - Community demographics/child population;
  - Current community supply of spaces by care type; and
  - Assessment of current and future demand for child care by care type; or
  - Other form of confirmation of child care need, such as letters of support from local officials. Please note – this type of documentation is not considered as equivalent to a formal child care plan and will be assessed accordingly.

- Organizational experience, including:
  - Years of experience operating licensed child care facilities;
  - Years of experience managing capital build projects;
  - Demonstrated support and connection to the local community; and
  - Degree of parental involvement in the organization.

- Demonstrated considerations to the affordability of child care services;

- Staffing considerations, including labour market conditions in the community, and known or proposed recruitment and retention strategies;

- Demonstrated consideration of principles of universal and accessible design, and commitment to accessibility; and

- Compliance with licensing requirements.
6. Eligible and Ineligible Project Costs

New Space Funding will be considered for:

- Building a new child care facility;
- The purchase, assembly and installation of a modular building for use as a child care facility;
- Site development costs for use as a child care facility;
- Renovation of an existing building/space or classroom for use as a child care facility; and/or
- Purchase of equipment or other capital costs related to obtaining a licence to operate a child care facility.

Ineligible project costs will not be funded by the Ministry. The Ministry has the sole discretion and reserves the right to determine items that may receive funding and to restrict the costs attributed to professional, administrative and consulting services to no more than 15% of the total Project Costs. Changes to this will be considered only in exceptional circumstances, at the discretion of and acceptable to the Ministry.

6.1 Eligible Project Costs

Eligible Project Costs include (but are not limited to) the following:

- Direct costs related to the development and implementation of the project(s);
- Consulting services, including:\n  - Project management\(^9\);
  - Design/engineering costs;
  - Business planning development; and,
  - Project-related professional fees (e.g. architectural, accountant), except legal costs.
- Infrastructure costs (e.g. water, sewer, road, sidewalk, etc.);
- GST and PST as part of Eligible Project Costs, if applicable;
- Capital purchases that are essential to Project implementation, including:
  - Office equipment;
  - Major appliances (e.g. fridge, stove, dishwasher, etc.);
  - Furniture and large equipment (e.g. change tables, strollers, room dividers, etc.);

\(^9\) Professional, administrative and consulting services should not exceed 15% of the overall project costs.
\(^10\) Project managers must be contracted out and must be a third party at arm’s length from the project and applicant in order for their fees to be eligible for funding.
o Transport for child care purposes (e.g. bus/van used solely for the transportation of children);
o Fixtures and equipment required by fire regulations (e.g. fire alarms, exit signs, fire extinguishers, etc.);
o Permanently installed equipment (e.g. whiteboards/bulletin boards, cubbies, lighting fixtures, washroom dividers, etc.);
o Large educational materials (e.g. sand/water tables, art easels, etc.);
o Dramatic play furniture (e.g. activity tables, Indigenous drums/drumming logs, child-sized sink/stove/fridge/work bench, etc.);
o Permanent outdoor equipment (e.g. fencing, covered entrance, outdoor playground preparation, etc.);
o Outdoor play equipment (e.g. nature-based landscaping, climbers, wheeled toys, etc.); and
o Accessibility equipment (e.g. wheelchair ramps, lifts, accessible playground equipment, automated doors, modified bathroom equipment, modified lighting etc.).

- Additional equipment or other capital costs, if the equipment is required to:
  o Enable the facility/facilities to become licensed under the Community Care and Assisted Living Act and the Child Care Licensing Regulation;
  o Enable the facility/facilities to become operational; or
  o Create the 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.

6.2 Ineligible Project Costs

Ineligible Project Costs include (but are not limited to) the following:

- Any/all costs or expenses incurred prior to the signing of the Funding Agreement;
- Non-capital items, such as toys, consumables (e.g. food, art supplies, etc.), books, games, and small appliances;
- Mortgage, rent or lease payments;
- New or updated software/technology;
- Video surveillance equipment;
- Housewares (e.g. pots/pans, dishes, flatware, brooms, garbage cans, diaper disposal units, etc.);
- Indoor play structures (e.g. climbers, tunnels, mats, cushions, etc.);
- Legal costs;
- Community engagement/consultation activities;
Training activities (e.g. Food Safe, First Aid, etc.);
Project-related costs or fees payable to the eligible applicant (or the applicant’s directors or officers) and/or fees payable to a third party not at arm’s length from the project or applicant (or the applicant’s directors or officers) for products or services (see definitions on page 25);
Ongoing costs for existing staff salaries and benefits;
Costs related to attending conferences and trade shows;
Costs associated with directly meeting and/or lobbying of any level of government;
Coordinating/hosting conferences or events;
Vehicles (other than vehicles used solely for the transportation of children in connection with the provision of childcare for the Child Care Facility);
Remuneration and travel of elected officials;
Meals and Project travel expenses;
Academic research:
Financing costs and interest charges;
Warranties; and
Costs related to the purchasing of real estate, buildings, and/or commercial space (with the exception of modular buildings).

7. How to Apply

2. Review the Child Care Licensing Regulation, the Community Care and Assisted Living Act, and the Rules for Operating a Licensed Child Care Facility.
3. Review the Childcare BC New Spaces Fund application Resource, as this will provide useful resources and information to support your application.
4. Contact your local Health Authority and speak to a Licensing Officer to ensure your proposed child care facility meets the regulations and requirements to obtain a licence under the Community Care and Assisted Living Act and Child Care Licensing Regulation.11
5. Complete the application form, and ensure all sections are complete. Each application must include the mandatory supporting documentation, based on the applicant type (see Table 3). 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.

11 Please note: Approval of funding under the Childcare BC New Spaces Fund does not mean the site, floor, or outdoor space plans are approved by your local health authority office or Licensing Officer. It is important to involve your local Licensing Officer in the early stages of planning to ensure the project proposed to the Childcare BC New Spaces Fund can be achieved.
6. Submit the application with the supporting documentation online by email at MCF.CCCF@gov.bc.ca no later than 4:30pm on November 1st, 2020 to be considered for the second call for applications. By submitting an application, applicants agree to the terms and conditions governing the Childcare BC New Spaces Fund (Appendix A), the commitment periods (Section 4.1) and the program requirements (Section 4.2).

Table 3: Mandatory Supporting Documentation Based on applicant Type

<table>
<thead>
<tr>
<th>applicant Type</th>
<th>application and Mandatory Documentation Requirements</th>
</tr>
</thead>
</table>
| Public sector organizations and Indigenous Governments, through direct delivery or delivery by a third-party non-profit child care provider | • Completed application form;  
• Project cost estimate (completed by facility’s project manager);  
• Evidence of financial commitment to the project if total Project Costs surpasses Maximum Provincial Funding Amount (e.g., board resolution showing school board will support and fund the remaining amount);  
• Floor plans, site plans, outdoor space plans (Conceptual Drawings accepted), including details of square metres/feet for retained and new spaces, and details of features such as sinks, toilets, and, if applicable, nap rooms and change tables;  
• Copy of Community Care and Assisted Living Act licence(s) for Projects proposing to expand an existing Child Care Facility (if applicable);  
• Confirmation of engagement of a non-profit child care provider (if available at time of application);  
• Documentation of community need (e.g. Community Child Care Plan, community action plan, Child Care Needs Assessment, etc.);  
• If the project is located within or on the grounds of a school, the School District must provide the school capacity as well as the current and ten-year projected enrolment; and  
• If the facility is to use offsite outdoor play space, submission of an approval letter from a Licensing Officer is required. |
| Non-Profit Societies (including Non-Profit Child Care Providers, Child Development Centres, and Indigenous Non-Profit Societies) | • Completed application form;  
• Proof of ownership/lease agreement (only applicable for Non-Profit Indigenous Societies if the facility is located off reserve);  
• Source and proof of all financial contributions to the Project including gifts-in-kind and other sources of funding;  
• Detailed Project Budget with cost estimates as supported by quotes (referenced below);  
• Two detailed quotes for each Budget item provided by a third party at arm’s length from each other, the applicant (which includes directors and officers). |

12 If the applicant is a public sector organization or Indigenous Government and does not have a confirmed provider at the time of application, they must commit to directly delivering the child care service(s) or commit to securing a partnership with a non-profit child care provider.

13 Applicable to Indigenous Non-Profit Societies only when total Project Costs surpasses Maximum Provincial Funding Amount (for example: band council resolution showing support and funding for the remaining amount).
<table>
<thead>
<tr>
<th>applicant Type</th>
<th>application and Mandatory Documentation Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>of the applicant and the project (i.e. site development, equipment, and Building Costs);</td>
</tr>
<tr>
<td></td>
<td>• Floor plans, site plans, outdoor space plans (Conceptual Drawings accepted), including details of square metres/feet for retained and new spaces, and details of features such as sinks, toilets and, if applicable, nap rooms and change tables;</td>
</tr>
<tr>
<td></td>
<td>• Copy of Community Care and Assisted Living Act licence(s) for Projects proposing to expand an existing Child Care Facility (if applicable);</td>
</tr>
</tbody>
</table>
|               | • Reference of Community Support (e.g. letter school district, local official, etc.)

14 Non-profit Indigenous Societies are not required to submit reference of community support.

<table>
<thead>
<tr>
<th>Businesses and Corporate Companies</th>
<th>• Completed application form;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Detailed Project Budget as supported by quotes (referenced below);</td>
</tr>
<tr>
<td></td>
<td>• Two detailed quotes for each budget item provided by a third party at arm’s length from each other, the applicant (which includes directors and officers of the applicant) and the project (i.e. site development, equipment, and Building Costs);</td>
</tr>
<tr>
<td></td>
<td>• Source and proof of all financial contributions to the project (e.g. gift-in-kind, a grant – provide source and proof of grant);</td>
</tr>
<tr>
<td></td>
<td>• Floor plans, site plans, outdoor space plans (conceptual drawings accepted), including details of square metres/feet for retained and new spaces, and details of features such as sinks, toilets and, if applicable, nap rooms and change tables;</td>
</tr>
<tr>
<td></td>
<td>• Proof of ownership/lease agreement;</td>
</tr>
<tr>
<td></td>
<td>• Reference of Community Support (e.g. school district, local official, etc.);</td>
</tr>
<tr>
<td></td>
<td>• Documentation to support community need (e.g. Community Child Care Plan, community action plan, Child Care Needs Assessment, etc.);</td>
</tr>
<tr>
<td></td>
<td>• Copy of Community Care and Assisted Living Act licence(s) for Projects proposing to expand an existing Child Care Facility (if applicable); and</td>
</tr>
</tbody>
</table>
|                                   | • If the facility is to use offsite outdoor play space, submission of an approval letter from a Licensing Officer is required.
Appendix A – Terms & Conditions

The following terms and conditions apply to applications from all applicants to the Childcare BC New Spaces Fund. Submission of an application indicates acceptance of all the terms that follow.

8.1 Terms and Conditions 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 applicant nor the Ministry shall have the right to make any claims against the other with respect to the decision to enter into a Funding Agreement and pay a grant, failure to enter into a Funding Agreement or failure to honour an application or any other claims based on a breach of “Contract A” or other tendering law duties or obligations.

The application process is intended to permit the Ministry to identify potential Recipients of funding with whom the Ministry may enter into a Funding Agreement. No legal relationship or obligation regarding the provision of any good or service shall be created between the applicant and the Ministry by the application process or by entering into a Funding Agreement with the applicant or by providing funding under the Funding Agreement. While the pricing information provided in the application will be non-binding prior to execution of a Funding 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 decision to enter into a Funding Agreement.

8.2 Ministry Discretion to Waive Deficiencies
The Ministry will be under no obligation to disqualify an application that fails to comply with a stated rule or requirement and may allow the applicant to rectify shortcomings or lack of information in their application. This is the case even where the terms “must”, “shall”, “will” or “mandatory” are used in the Program guidelines.

8.3 applicant Representations & Warranties
The Ministry may refuse to enter into a Funding Agreement, or provide funding, or rescind a Funding Agreement already entered into if the Ministry discovers that the applicant’s application contains misrepresentations or any other inaccurate, misleading, or incomplete information.

8.4 Ministry Due Diligence
The Ministry may, in its sole discretion, verify the information provided in the applicant’s application. If in the sole discretion of the Ministry, the Ministry determines that the application
contains misrepresentations or any other inaccurate, misleading, or incomplete information, the Ministry may disqualify the applicant from the application process. The Ministry may consider the applicant’s past performance on previous contracts with the Ministry and other such investigations as the Ministry deems appropriate.

8.5 applicant Responsibility
It is the sole responsibility of the applicant to ensure all the fields and documents comprising a complete Childcare BC New Spaces Fund application are supplied and submitted at the time of application and during Rectification. The Ministry is under no obligation to inform the applicant of any missing documents after the initial notification of deficiencies has been provided.

8.6 applicants to Review All Documents
It is the applicant’s responsibility to examine all documents comprising the Childcare BC New Spaces Fund Program application and report any errors, omissions, or ambiguities and seek additional information by contacting the Ministry.

8.7 No Liability for Errors
While the Ministry has used reasonable efforts to ensure the accurate representation of information in these guidelines, such information is supplied solely for applicants. The Ministry 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 applicants 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.

8.8 Selection
applications with be reviewed, evaluated and selected internally by Ministry staff in accordance with the requirements and principles set out in these guidelines. The Ministry cannot guarantee any applicant that their submission of an application will lead to the Ministry providing funding under a New Space Funding Agreement. The Ministry 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 Ministry may close the application call, in whole or in part, at any time in its sole discretion and without liability, without negotiating or entering into a Funding Agreement under this application process.

8.9 No Incorporation by Reference
The entire content of an applicant’s application should be contained within the application. The content of websites or other external documents referred to in the applicant’s application will not be considered to form part of its submission. The Ministry is under no obligation to seek out information not contained in an applicant’s application.
8.10 Working Language of the Ministry
All applications should be submitted in English. The Ministry is under no obligation to translate any application or any part thereof from any language into English; and the Ministry is under no obligation to review any application or any part thereof, in a language other than English.

8.11 applications from a Single Entity
The Ministry will only accept applications from a single legal entity that will act as the main contact to the Ministry in respect to the application process and for the purposes of obligations under any Funding Agreement.

8.12 Changes to application or Supporting Documentation
An applicant is not bound by its application. By submission of a clear and detailed written notice to the Program, an applicant may withdraw at any time throughout the duration of the application process before entering into a Funding Agreement.

8.13 Late applications
Applications received in whole or in part after the second call closure date will be rejected by the Ministry at the Ministry’s sole discretion. Applicants are therefore encouraged to submit full and complete applications in a timely fashion.

8.14 Rectification
The Ministry may at its discretion offer a Rectification process to allow applicants to correct deficiencies in their application and/or supporting documentation. Applicants that are notified of deficiencies will be provided an opportunity to address the deficiencies. It is the sole responsibility of the applicant to correct deficiencies within the designated Rectification period. To ensure administrative fairness for all applicants, the Ministry will not provide direct support to applicants during the Rectification period apart from clarification of deficiencies. Applicants failing to respond to the notification of deficiencies will be assessed on the initial application or have their application rejected in its entirety.

8.16 Additional Information
All Ministry prescribed modifications to the application process will be posted to the Program webpage according to where the original documents are made available to applicants. It is the sole responsibility of the applicant to check for modifications on the webpage.

8.17 Conflict of Interest & Lobbying
An applicant may be precluded from participating in the application process if the applicant’s (including its directors and officers) current or past corporate or other interests or activities, or may, in the Ministry’s opinion, give rise to an actual, potential or perceived conflict of interest in connection with the Program. This includes, but is not limited to, involvement by an applicant in the preparation of the application or a relationship with any employee, contractor or
representative of the Ministry involved in preparation of the application, participating on the evaluation committee or in the administration of the Funding Agreement and those involved in the development of the Program. If an applicant is in doubt as to whether there might be a conflict of interest, the applicant should consult with the Program prior to providing an application. By submitting an application, the applicant will be required to represent 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 call for applications.

8.18 Project Viability
The Ministry may disqualify the applicant if the Project’s viability is unsubstantiated, as determined by the Ministry. A Project’s viability may be in question for reasons such as, but not limited to, financial viability, long-term sustainability, non-compliance, unmitigated risks, and additional deficiencies that may limit the Project’s ability to meet the Province’s objective to create quality, accessible, and affordable Licensed Child Care Spaces.

8.19 Alignment with Provincial Objectives
The Childcare BC New Spaces Fund is instrumental in supporting the Province’s Childcare BC Plan. The Childcare BC Plan is a strategic initiative to ensure British Columbian families have access to affordable, quality child care that meets their needs. The Program is delivered in a manner that is in line and consistent with the objectives of the Childcare BC Plan, ensuring that the Ministry is investing in projects creating new licensed child care spaces that meet the Province’s child care objectives. The Ministry may in its sole direction disqualify the applicant if the project does not align with the Province’s objective of creating accessible, affordable, and quality child care, as determined by the Ministry. The Ministry is under no obligation to support or fund applicants and/or Projects that do not align with Provincial objectives.
8.20 Costs of Process
The applicant and the Ministry will each bear their own costs associated with or incurred through the application process, including any costs arising out of: (a) the preparation and publication by the Ministry of the Program Guidelines and other written documents and website material; (b) the preparation and submission of an application; (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.

8.21 Communication with Media
The applicant 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 Ministry prior to the Provincial public announcement.

8.22 Complaints
If the applicant has questions or concerns about the service provided by Ministry staff, or about a funding decision, they may contact Child Care Capital and Community Services through email at MCF.CCCF@gov.bc.ca with the following subject: “Attention: Operations Supervisor - Complaint”, or by telephone at 1-888-338-6622 (option 5) and request to speak with a Child Care Capital Funding Operations Supervisor.

8.23 Appeals
The applicant may appeal a funding decision if the applicant has first contacted an Operations Supervisor and discussed their questions and concerns regarding the decision. If the applicant wishes to appeal a decision, they must submit written notice to the Child Care Capital and Community Services branch at MCF.CCCF@gov.bc.ca with the following subject: “Appeal”. The written notice must include reasons as to why the funding decision should be reconsidered. An appeal will be reviewed by senior level management, who will contact the applicant once a decision has been made.

Following an appeal, if an applicant has additional questions or concerns regarding the Ministry’s decision, they can submit a complaint to the Office of the Ombudsperson. The Office of the Ombudsperson is an independent statutory office of the provincial legislature that impartially investigates individual complaints about potential unfair administrative actions by provincial public authorities.
Appendix B – Written Quotes

Where written quotes in support of Project Costs are required and submitted with the application, these quotes must be from third party entities at arm’s length from the applicant (including directors and officers of an applicant). Applicants who provide invalid or otherwise deficient quotes in this regard can be disqualified at the sole discretion of the Ministry. All written quotes must include the following components:

a. Name of company or individual providing the service/items. Note: Quotes must come from companies that are a third party at arm’s length from each other, the applicant, and the Project\(^\text{15}\);
b. Date and length of time quote is valid (if applicable);
c. Description/scope of work involved (if applicable); and/or
d. Total or estimated cost, total or estimated tax amount, and the total or estimated cost after taxes (in Canadian dollars), if applicable. Note: If your facility or organization receives a tax exemption or rebate, please indicate the estimated dollar value of the exemption on any submitted quote(s).

Appendix C – Proof of Payment

Proof of payment submitted with the Financial Reconciliation Package should reflect the purchase of all eligible Project Costs and include the following components:

1. Receipts (e.g. transaction receipts, bank statements, copy of the cheque, etc.);
2. Invoices with zero-dollar balances or corresponding receipt of payment (if applicable);
3. Name of company or individual from which items or services were purchased;
4. Date of purchase; and
5. Itemized description of the products purchased.

\(^{15}\) The Ministry reserves the right to verify all information with third party sources. Additional information may be requested during the Application process.
Appendix D – Definitions

**Applicant:** an applicant for Childcare BC New Spaces Funding.

**Application:** a complete application form and mandatory supporting documentation that the applicant must submit in support of their request for Childcare BC New Spaces Funding.

**Budget:** a detailed estimate of the costs to complete the Project, determined where necessary by cost estimates by certified contractors, engineers, architects or other qualified parties, in accordance with the plans and specifications provided to the Ministry as part of the application process.

**Businesses and Corporate Companies:** sole proprietorships, partnerships, limited companies and incorporations.

**Building Costs:** expenses incurred by the applicant for labour and material in connection with the Project.

**Call for applications Open Date:** the first day an application is eligible to be received and considered at the respective decision point (see Table 1).

**Capital Build:** in the context of these guidelines, the construction of new facilities and renovation/maintenance of existing facilities, or the development of public amenities for the purpose of a Child Care Operation.

**Child Care Facility:** the physical building, facility, or area of land on which these improvements sit, and the applicant occupies and uses, or proposes to occupy and use, for the purpose of its Child Care Operation.

**Child Care Fee Reduction Initiative (CCFRI):** a stream of funding provided under CCOF provided to eligible enrolled licensed child care facilities for the purpose of reducing parent monthly fees for enrolled children.

**Child Care Needs Assessment:** an assessment of the community’s child care needs. Often includes statistics on population and growth of children in the community and provides strategies, actions and partnerships that will support and address those needs.

**Child Care Operating Funding Program (CCOF):** operating funding provided by the Ministry to eligible enrolled licensed child care facilities to assist with the day-to-day costs of running a licensed child care facility.

**Child Care Operation:** the delivery of child care services in a licensed facility.
**Child Care Spaces**: a full-time space or two part-time child care spaces (e.g. a morning preschool space and an afternoon preschool space would represent one full-time child care space).

**Child Development Centre**: 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 Support Child Development programs, including Indigenous programs.

**Child Minding**: a child care program located in a facility (i.e. Recreation Centre, Shopping Centre, etc.), that allows parents to participate at the facility while their children are cared for by an adult.

**Children Requiring Extra Support**: children who, for physical, intellectual, emotional, communicative or behavioural reasons, require support or services that are additional to, or distinct from, those provided to other children.

**Community Child Care Plan**: local government plans regarding the child care needs of the community, including an inventory of existing child care spaces and space creation targets over the next 10 years.

**Conceptual Drawings**: a floor plan of the child care facility that graphically communicates the details and design principles of the proposed project space, completed by an individual at arm’s length from the applicant. Conceptual drawings must be clear and legible and provide a scale and major dimensions.

**Direct Costs**: expenses directly related to the development and implementation of the Project which may include (but are not limited to) equipment, building materials, and labour related directly to the Project.

**Financial Reconciliation Package**: includes (1) a detailed statement prepared by an independent, arm’s length certified Chartered Professional Accountant listing all project costs including copies of invoices, receipts and/or proof of payment; (2) a copy of all current licences; (3) a completed financial reconciliation form and financial expenditure form; and (4) a copy of approval letters for Child Care Operating Funding (CCOF) and the Child Care Fee Reduction Initiative (CCFRI).

**First Call Closure Date**: the last day an application is eligible to be received for the first call for applications and considered at the first decision point (see Table 1).

**First Decision Point**: the time at which successful applicants considered under the first call for applications will receive notice of their success and be invited to enter into a New Spaces Funding Agreement.
**Funding Agreement:** an agreement between the Ministry and the applicant, under either the Child Care BC Act or the HRFA under which the Ministry provides a Childcare BC New Spaces Fund grant to the recipient for the purpose of the recipient creating licensed child care spaces.

**Human Resource Facility Act (HRFA):** the HRFA allows the Ministry to place legal notations on funding recipients’ property titles – restricting the sale, mortgage, or transfer of the property without prior approval of the Ministry.

**Indigenous Non-Profit Society:** a society as defined in Section 1 of the *Societies Act*.

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

**Local Government:** means a municipality or regional district.

**Maximum Provincial Funding Amount:** the maximum funding amount the Ministry will provide for the proposed/approved Project to create new Licensed Child Care Spaces.

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

**Non-Profit Society:** a society as established under the *Societies Act* or under the *Canada Not-For-Profit Corporations Act*.

**Non-Profit Child Care Provider:** a child care provider that is incorporated as a Non-Profit Society.

**Occasional Child Care:** a child care program that is provided on an occasional or short-term basis.

**Organization Contribution:** the financial contribution required by the organization as set out in section 4.1: Contribution Percentages and Maximum Amounts. The Organization Contribution may include gift-in-kind, other grant funds, or loans from financial institutions. Volunteer labour will not be considered as part of the organization’s contribution.

**Plans and Specifications:** all 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.

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

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

**Project:** the Project as described by the applicant in the application, which involves the creation of Licensed Child Care Spaces.
**Project Costs:** all the amounts to be paid by the applicant to any person, firm, or corporation dealing at arm’s length with the applicant for construction of the Projects or acquisition of its components and which, in the opinion of the Ministry have been necessarily and properly incurred.

**Recipient:** applicants that receive funding through the Childcare BC New Spaces Fund to build new Licensed Child Care Spaces.

**Reference of Community Support:** a letter from a community organization or local official who is familiar with the applicant and can speak directly to the Project described in the application, demonstrating support for both the applicant and the creation of the proposed Child Care Facility.

**Second Call Closure Date:** the last day an application is eligible to be received for the second call for applications and considered at the second decision point (see Table 1).

**Second Decision Point:** the time at which successful applicants considered under the second call for applications will receive notice of their success and be invited to enter into a New Spaces Funding Agreement.

**Site Development Costs:** expenses incurred to prepare a plot of land for the construction of a Child Care Facility.

**Third Party at Arm’s Length:** the condition that the companies/suppliers providing quotes or services for the Project are independent, market value and on an equal footing from one another, the applicant, and the Project (e.g. not a spouse/common law, child, parent, sibling, applicant’s director and/or officers, business partners etc.).

**Underserved Communities:** are communities/geographic areas and populations with limited or a lack of access to child care relative to other communities in British Columbia.