



Ministry of Training,
Colleges and
Universities

Ministère de la Formation
et des Collèges et
Universités

Apprenticeship Enhancement Fund (AEF) Guidelines

**Effective 2018-2019, 2019-2020 and
2020-2021**

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1.0 Introduction

1.1 Purpose

The purpose of the Apprenticeship Enhancement Fund (AEF) Guidelines is to provide the required information and policy direction required to deliver the AEF program.

These AEF Guidelines supersede all previous AEF Guidelines and are effective for the 2018-19, 2019-20 and 2020-21 fiscal years.

The Apprenticeship Enhancement Fund (AEF) gives approved Training Delivery Agencies (TDAs) delivering apprenticeship training programs the opportunity to acquire state-of-the-art equipment, update facilities, and increase apprenticeship completions.

1.2 Program Context

The vision of the Ministry of Training, Colleges and Universities (the Ministry) is to have the most educated and highly skilled workforce to build the province's competitive advantage and quality of life.

Through the AEF, the Ministry recognizes the need for Colleges of Applied Arts and Technology (CAATs) Training Delivery Agents (TDAs) and non-college TDAs to update their equipment and facilities in order to deliver relevant, high-quality training to support Ontario's workplace-based apprenticeship programs. This will ensure that TDA training facilities can meet the evolving needs of the workplace with innovative technology that increases training capacity, upgrades the skills of Ontario's skilled trades workforce and ensures an adequate supply of skilled journeypersons is available to meet demand and growth. Enhancing the apprenticeship system is essential to increasing the number of certified tradespersons that Ontario needs to compete in today's economy.

2.0 Program Description

2.1 Objective

The objective of the AEF program is to support Ontario's commitment to increase the number of certified tradesperson in the province, ensuring an adequate supply of skilled tradespersons is available to meet replacement and new growth needs that underpins economic recovery and future prosperity.

The intention of the AEF program is to support:

- Improvements to seat utilization rates
- Increases to the number of certified tradespersons in the province
- Modernization of hands-on training equipment and facilities so the delivery of in-school, hands-on trade related apprenticeship training is supported
- Improvements to physical spaces to remove accessibility barriers
- Greening of existing trades or support training in the green energy sector, and
- Increasing capacity to deliver training in high demand trades

2.2 Performance Indicators

Performance indicators are an essential management tool for the provincial government. Performance information helps to determine which programs and services are providing value and making a measurable difference for stakeholders. Performance under the Apprenticeship Classroom Training Agreement will have a direct impact on the funding provided under AEF.

The Ministry will review data related to AEF investments in infrastructure and apprenticeship training capacity. Data will be used for both internal reporting and public announcements. Information to be analyzed includes: allocations to TDAs approved for funding, the number of apprentices who completed various levels of apprenticeship training and the trades in which training was delivered.

The Ministry may also initiate discussions about performance measurement, available data, and data collection in order to support continuous improvement. All TDAs approved for AEF are required to participate in any performance measurement exercises undertaken by the Ministry.

2.3 Projects Eligible for AEF funding

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The AEF is a capital acquisition program. AEF eligible costs include:

- Alterations, renovations and enhancements to existing facilities, including mobile apprenticeship training units used for hands-on apprenticeship training purposes to improve the condition and efficiency of apprenticeship training facilities
- Replacement of existing equipment to meet industry standards and support growth in apprenticeship enrolment and completions
- Purchase of new equipment to support training capacity growth
- Purchase of new equipment resulting in program delivery efficiencies, i.e., affecting more than one training program
- Improvements that support training in the green energy sector and high demand trades
- Improvements to remove accessibility barriers. Examples of expenditures which remove barriers include ramps, door openers, washroom renovations and elevator improvements, and
- Improvements to support training in high demand trades

2.3.1 Accessibility

TDA's approved for AEF are responsible for ensuring that their facilities are accessible to persons with disabilities and that they are in compliance with all applicable federal, provincial and municipal statutes and codes.

2.3.2 Fire Code

TDA's approved for AEF support must comply with the Fire Code (Retrofit Section) while undertaking projects funded under this program.

2.4 Projects Ineligible for AEF funding

Examples of AEF ineligible costs include:

- Financing projects in areas that are not used for hands-on apprenticeship training (e.g., student residences, automobile parking, recreation facilities, faculty space, classrooms) or that primarily accommodate administrative functions
- Duplication of already-funded activities or replacement of non-Ontario Government funding sources already committed to such projects
- Replacement of any institutional or partnership contributions for projects previously approved for the TDA unless special approval is granted by the Ministry
- Funds cannot be used to purchase land, buildings **or finance new construction,**
- Auditing costs, and

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- Costs eligible under the Apprenticeship Classroom Training Agreement

2.5 Duration

Under the AEF program, projects will be funded through a proportionate allocation funding formula based on the seat utilization rates specified in Apprenticeship Classroom Training Agreements. The funding period will be from April 1 to March 31st and the projects must be completed by March 31st.

2.6 Additional Considerations

AEF funding is designated for Ministry approved apprenticeship training activities and each TDA approved for AEF must be an approved training delivery agent for the trade(s) and levels for which they are requesting funding.

- **College TDAs** must show seat purchase activity for that trade/(s) in the fiscal year ending March 31, 2017
- **Non-college TDAs** - must show seat purchase activity for that trade/(s) for the last three fiscal years (2014/15, 2015/16 and 2016/17)

AEF funding may be used to finance the purchase of equipment used in leased facilities, but the TDA approved for AEF must confirm the new location of the equipment prior to the expiry of the lease, and the equipment must continue to be used for apprenticeship training. Minor modifications to leased facilities to install equipment are permissible.

AEF projects are approved by the Ministry through a review and approval process. The disposition or reallocation of AEF funds to unapproved projects/purchases is not permitted. The use of AEF funding to support unapproved expenditures may result in the cancellation of the project(s) and recovery of funding.

3.0 Program Delivery

3.1 Roles and Responsibilities

TDAs approved for AEF will:

- Determine AEF priority projects in consultation with TCU staff during the seat purchase planning process
- Ensure their facilities are maintained in good repair, and that they provide a safe environment for faculty, staff, and students
- Ensure that their facilities are accessible to persons with disabilities and that they are in compliance with all applicable federal, provincial and municipal statutes and codes

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- Ensure that all projects are completed in accordance with the AEF Guidelines, and the AEF Agreement, including the Audit and Accountability Requirements and,
- Obtain written approval, through a prior approval request process, from the Ministry if it plans to substitute new projects for previously approved projects or makes changes to the project, timeline and/or budget

The Ministry will:

- Review and approve proposed projects in accordance with the AEF Guidelines
- Confirm AEF projects through a letter from the Director of the Regional Office, and
- Release AEF funding to TDAs approved for AEF upon signing of the agreement by both parties

3.2 Planning and Development

All approved AEF funding must be expended according to the TDA's 3 year plan for expenditures.

3.3 Funding Framework

In 2018-19, the Ministry commits to invest 3 years of funding to college and non-college TDAs approved under the AEF. This gives the TDAs the opportunity to plan for the acquisition of state-of-the-art equipment, update facilities and support improvements in their seat utilization rate to increase the number of certified tradespersons in the province.

The planned distribution of funds from 2018-19 to 2020-21 is: fourteen million dollars (\$14M) per year. TDAs who are approved for AEF will receive funding using a formula which is based on seat purchase activity in previous years. The formula reflects the hours of apprenticeship training provided by each approved TDA and includes all delivery models. Each approved TDA will be advised of their allocation amount by letter.

3.4 Payment Schedule

TDAs approved for funding will receive written confirmation of approval and will be required to enter into a written agreement with the Ministry prior to receiving any funding or commencing any portion of their project. The Ministry will begin to release funds upon the signing of the Agreement by both parties.

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All costs and expenditures for approved competitive projects must occur as per the approved delivery plan. The Ministry reserves the right to adjust the payment schedule if the project progress does not conform to the schedule in the agreement.

3.5 Surpluses

Given the significance placed on the need for TDAs approved for AEF to update their equipment and facilities in order to deliver relevant high-quality training in support of apprenticeship training programs, the Ministry does not expect in-year program spending surpluses to occur. However, it is also recognised that good business practice and sound project management techniques can result in lower than anticipated final project costs.

Written Ministry approval, using the prior approval request process, is required prior to any of the following events:

- Spending of surplus funds
- Substitution of new project(s) for previously approved projects
- Material changes to the projects, and
- Disposition of assets funded under the program

TDA use of funding for any project that has not received Ministry approval may result in the recovery of funding by the Ministry at its discretion, through a request for repayment. This may also effect the approval of funding in future years.

4.0 Accountability

4.1 Overview

TDAs will receive written confirmation of their allocations for 2018/19, 2019/20 and 2020/21 and will determine AEF priority projects for this funding in consultation with TCU staff during the seat purchase planning process. All costs and expenditures for approved AEF projects costs must be incurred in the fiscal year for which they are written i.e., all projects must be completed, and costs incurred by March 31.

TDAs approved for AEF must submit their project proposals to the Ministry for review and approval as per the AEF Guidelines, using the AEF Application Template.

Applicants must submit an electronic copy of the required application form via the e-mail boxes identified below. Please do not submit multiple letters/attachments – all components must be combined into one PDF per submission of no more than 10 pages. The subject line of the e-mail should include the following:

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- Apprenticeship Enhancement Fund (Proportionate Allocation) for XXXX year and,
- Applicant Name

The Ministry will begin to release AEF funding to TDAs approved for AEF upon signing of the Agreement by both parties. TDAs will be required to comply with all terms of the agreement, including reporting and performance requirements. The project proposal requires the signature of the Senior Financial Officer of the TDAs.

All evidence of support must accompany applications and will not be accepted after the closing date.

All AEF submissions, questions and correspondence should be directed to your Employment and Training Consultant (ETC) lead through the regional mailbox as follows:

North Region mailbox: MTCUNorthernRegion@ontario.ca

Western Region mailbox: mtcuwesternregion@ontario.ca

Eastern Region mailbox: EastRPU@ontario.ca

Central Region mailbox: CentralRegionApprenticeship@ontario.ca

Please consider the following important information:

- Only submissions received at the above email addresses will be considered an official submission; do not submit reports directly to Ministry staff.
- AEF@ontario.ca is no longer the official email and will not be monitored.
- Updates to the AEF program can be found on [Employment Ontario Partners' Gateway](#) (EOPG).

4.2 Schedule of Events

The 2018-19, 2019-20, 2020-21 AEF Transfer Payment Agreements will contain further instructions about reporting requirements. Reports can be submitted prior to the due date if completed early.

Amendments to the AEF Application may be made at the discretion of the Ministry.

See [Employment Ontario Partners' Gateway](#) for a schedule of events.

4.3 Reporting

4.3.1 Application and Reports

APPLICATION REQUIREMENTS

TDAs approved for AEF are required to submit the AEF Application as per the dates on the [Employment Ontario Partners' Gateway](#).

The completed application informs the Ministry as to how the TDAs will use funding that will be received under the Ministry funding formula. This enables the Ministry to ensure that funds will be utilized for the intended purpose and that anticipated expenditures are captured.

Application Structure

In order to apply for funds the AEF Application will be distributed as a separate electronic document and must be completed and signed. Electronic signatures are encouraged.

The AEF Application should include the following sections:

1. Project Name and Brief Description
2. Contact Information and Signature
 - Contact person and back-up
 - Contact information: E-mail, telephone
3. Project Description and Delivery Plan

This section should include:

- A description of the intent of the project with sufficient information to allow the Ministry to assess whether this project complies with the program eligibility criteria
 - Identify the primary and secondary trades benefiting from this project by trade name and trade code
 - A delivery plan which includes the name of the stakeholders, where applicable, key deliverables with timelines and budgets, project team members with clear roles and approval authorities and outline a process for monitoring of progress and outcomes.
4. How the Project Strengthens the Apprenticeship System

This section should describe how the proposal meets the objectives of the program, including a description of:

- improvements to seat utilization rates for all trades identified in the proposal
- how the project will increase the number of apprenticeship completions
- upgrades to existing or acquisition of new equipment to meet industry standards that align with the learning outcomes specified in the Ontario College of Trades (OCOT) curriculum standards, or consistent with industry demands which are supported by OCOT
- Improvements to existing training facilities (labs) including mobile training facilities
- Meet current and future demand (high demand trade) - labour market data is a minimum requirement to confirm a shortage of skilled trades in the local area
- Other- unique projects

5. Projected Costs

This section must provide a detailed breakdown of the costs over the period of the agreement, as well as indicate the trades that will benefit from the proposal.

The applicant must acquire equipment or complete training facility/lab improvements through a process that promotes the best value for money;

List types/kinds of equipment and/or a description of the improvements, with the estimated life cycle and estimated budget.

Identify any unique aspects to the budget (e.g. shared use of space) that will impact on the apprentice's ability to utilize the equipment or facilities.

4.3.2 Signed Agreements

Hard copies of the signed agreements should be mailed or couriered as per the instructions forwarded with the electronic copy of the agreement.

5.0 Administration

5.1 Acknowledgement of Ontario Government Support

It is expected that full acknowledgement of Ontario government support will be provided in all published material and on TDA websites. Instructions on how to communicate using the [Visual Identity and Communications Guidelines for Employment Ontario Services](#).

5.2 Additional Considerations

The guidelines may be amended or cancelled at any time at the sole discretion of the Ministry.