



Apprenticeship Capital Grant Program Guidelines 2021-22, 2022-23, 2023-24

Ministry of Labour, Training and Skills Development
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1.0 Program Elements

1.1 Context

One of the Government’s key commitments in the 2019 Ontario Budget was to create a “client-focused apprenticeship and skilled trades system.” This vision includes improving the quality of apprenticeship in-class training that is delivered by Ministry-approved Training Delivery Agents (TDAs).

TDAs play an important role in Ontario’s apprenticeship system as they deliver the in-class portion of an apprenticeship, which represents approximately 10% to 15% of total apprenticeship training. The remaining 85% to 90% of apprenticeship training is on-the-job.

1.2 Overview & Purpose

Through the Apprenticeship Capital Grant (ACG), the Ministry of Labour, Training and Skills Development (“the Ministry”) recognizes the need for Colleges of Applied Arts and Technology (CAATs) TDAs and non-college TDAs to update their equipment and facilities in order to deliver relevant, high-quality training in support of Ontario’s workplace-based apprenticeship programs. This investment supports TDAs to meet the evolving needs of the workplace with innovative technology that increases training capacity, upgrades the skills of Ontario’s skilled trades workforce and contributes to an adequate supply of skilled journeypersons to meet demand and growth. Enhancing the apprenticeship system is essential to increasing the number of certified tradespersons Ontario needs to compete in today’s economy.

These Apprenticeship Capital Grant (ACG) Program Guidelines are effective as of April 1, 2021, effectively replacing the Apprenticeship Enhancement Fund Guidelines 2018-2021.

1.3 Program Objectives

The objectives of the program are to support TDAs to deliver relevant, high-quality in-class training by:

- modernizing and/or expanding training equipment and facilities to enhance the apprenticeship in-class training experience and meet the needs of employers;
- increasing capacity to deliver training for trades that are in demand;
- improving the health and safety, condition and efficiency of apprenticeship instruction and/or facilities; and
- improving access to in-class training, including removing accessibility barriers and addressing gender equity.

1.4 Applicant Eligibility

ACG funding is designated for Ministry-approved apprenticeship in-class training activities. College and Non-college TDAs that are approved and receive funding for apprenticeship in-class training may be eligible if they:

- demonstrate the three consecutive years of in-class training activity (2017-18, 2018-19, 2019-20); and
- have been approved to deliver the trade associated with the project in the previous **three full fiscal years** (2017-18, 2018-19, 2019-20).

1.5 Eligible Expenditures

The ACG is a capital acquisition program. ACG-approved projects are meant to support apprenticeship in-class training, including Level 1 in-class training provided to Ontario Youth Apprenticeship Program (OYAP) and Pre-Apprenticeship Training Program participants. Eligible expenditures can include:

- construction of **additions to buildings** to accommodate additional training space (please refer to Section 1.7 for more detail);
- alterations, renovations and enhancements to existing facilities, including mobile apprenticeship training units that are used for hands-on apprenticeship training and will improve the condition and efficiency of apprenticeship training facilities overall;
 - mobile training units may only be used to deliver training that supports a TDA's approved in-class training activity.
- purchase of equipment to support alternate delivery methods for in-class training, such as online and/or simulated training, including:
 - Purchase of online learning, simulator and/or virtual reality software;
 - Purchase of videoconferencing equipment and software
 - Purchase of hardware and software (e.g., servers, networking equipment) to operate Virtual Private Networks or other supports for online learning;
 - Purchase of externally created digital content, such as training videos, learning modules, etc.;
 - Purchase of hardware, such as laptops, videoconferencing equipment, equipment to support simulator/virtual reality training, etc.
- 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 to remove accessibility barriers;
- purchase of new equipment that supports the inclusion of women in trades (e.g., proper fitting safety equipment and gear for women and gender appropriate washrooms/changerooms onsite).

ACG funding may be used to finance the purchase of equipment used in leased facilities, but the TDA 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.

1.6 Ineligible Expenditures

Examples of ineligible expenditures include:

- financing projects in areas that are not used for hands-on apprenticeship in-class 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 the construction of a **new free-standing building** (i.e., constructing a new building from the ground up);
- operating expenses related to COVID-19 health and safety measures, such as:
 - cleaning and sterilization of apprenticeship training classrooms and labs;
 - medical supplies; and
 - other related operating expenses (i.e., structural barriers such as plexiglass; security to enforce physical distancing measures; additional tools to limit sharing between apprentices; etc.).
- purchase of online learning software licenses.
- internal development of digital content such as online training videos, learning modules etc.;
- auditing costs;
- costs eligible under the apprenticeship in-class training agreement; and
- curriculum development.

1.7 Additions to Building Projects

In certain circumstances, TDAs can request ACG funding for a project that involves the construction of an addition to a building to accommodate additional training space. An addition is a part added to an existing building and generally requires demolition, an architect, contractor and a building permit.

Due to the known risks associated with new construction projects, any TDA applying to ACG for the construction of additions to buildings must:

- **contribute 50% of total project costs;**

- do their due diligence to assess the building envelope and land involved in the project for potential risks that could cause cost or time overruns (e.g., asbestos in the walls, hidden oil tanks in the ground etc.);
- prior to signing an agreement with the Province, provide proof of enough funding for the recipients share of the project budget;
- provide evidence of value for money;
- make every effort to pay for and complete the project by March 31st of the next fiscal year. The Ministry will not pay for any costs overruns nor make provisions for when the project is not completed within 12 months or goes beyond March 31st; and
- provide a contingency plan to address cost or time delays should these occur, including evidence that monies have been set aside to complete the project.

Please note, Ministry payments will be adjusted according to project billings.

1.8 Accessibility

TDA's are expected to comply with all applicable federal, provincial and municipal statutes and codes.

2.0 Program Activities

2.1 Funding Framework

Starting in 2021-22, the Ministry will commit to three years of funding to college and non-college TDA's based on a funding formula, with a planned distribution of \$18 million per fiscal year.

The funding formula is based on in-class training activity from the previous three fiscal 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.

Additional funding will be awarded through a yearly Call for Proposal (CFP), open to both college and non-college TDA's who meet the eligibility criteria. Separate guidelines and application process for the CFP will be issued each year.

2.2 Payment Schedule

TDA's 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

Transfer Payment Agreement by both parties. For projects that are additions to buildings payments will be adjusted to project billing and there will be no upfront payment.

TDAAs will be required to comply with all terms of the agreement. The project proposal requires the signature of the Senior Financial Officer of the TDA.

All costs and expenditures for approved 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.

2.3 Reporting Requirements

TDAAs in receipt of ACG funding will be subject to reporting requirements on its project(s), expenditures and reports by the Ministry. This will provide the Ministry with the opportunity to determine how effectively the TDA is completing approved project(s) as outlined in their signed Transfer Payment Agreement with the Province. The overall success of the project(s) will be determined through ongoing year-round monitoring, submission of reports and completion of risk assessment(s), if necessary.

The ACG Transfer Payment Agreements will contain further instructions about reporting requirements. Reports can be submitted prior to the due date if completed early.

2.4 Additional Considerations

Given the need for TDAAs approved for ACG 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 affect the approval of funding in future years.

In situations where ACG funding is being provided along with other programs and services, ACG funds must only be used to cover costs directly related to the delivery of ACG-approved projects; this must be managed by applying Project Accounting principles.

3.0 Accountability

3.1 Overview

TDA's will receive written confirmation of their three-year allocations and will determine ACG priority projects for this funding in consultation with MLTSD staff during the in-class training planning process.

TDA's approved for ACG must submit their project proposals to the Ministry for review and approval as per the ACG Program Guidelines, using the ACG Application Template. TDA's must acquire equipment or complete training facility/lab improvements, including any construction projects, through a process that promotes the best value for money.

3.2 Roles and Responsibilities

Role of TDA's approved for ACG funding is to:

- oversee project activities to ensure completion within the timelines indicated in the proposal;
- ensure that objectives and outcomes stated in the agreement are being met, keeping a record of progress and accomplishments to-date, and maintaining accurate financial records to ensure that funding is being used for its intended purpose;
- manage the agreement with the Ministry, submitting required reports and participating in monitoring and project evaluation;
- acquire equipment or complete training facility/lab improvements, including any construction project, through a process that promotes the best value for money;
- ensure there is a contingency plan to address cost or time delays should these occur including evidence that monies have been set aside to complete the project;
- 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; and
- comply with the Fire Code (Retrofit Section) while undertaking projects funded under this program.

The role of the Ministry is to facilitate the ACG project by contributing funding, information about program guidelines, and requirements to the successful applicants. To this end, the Ministry will:

- review and approve proposed projects in accordance with the ACG Guidelines;
- negotiate, complete and administer an agreement with approved TDAs. Administration will include:
 - receiving and commenting on project reports; and
 - monitoring progress and performance against agreement activities and outcomes;
- collect and review reports and outcome data to evaluate the project; and
- provide direction on reporting.

3.3 Schedule of Events

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

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

3.4 Performance Management

Performance management will be undertaken through monitoring and reporting updates which all TDA's are required to complete. Performance management for all TDAs will also be undertaken as part of the Apprenticeship In-Class Training program.

4.0 Application

4.1 Application Requirements

Applicants must submit an electronic copy of the required application form and follow all the instructions provided in the form.

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.

4.2 Application Structure

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

The ACG Application should include the following sections:

1. Applicant Information, including Contact Information and Signature
2. Project Summary
3. Project Description and Delivery Plan
4. Project Impact

5. Budget

5.0 Program Evaluation

The Ministry will analyse data related to capital investments and the delivery of in-class training. Data will be used for both internal reporting and public announcements. All TDAs approved for funding are required to participate in any performance measurement/program evaluation exercises undertaken by the Ministry.

6.0 Administration

6.1 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](#)

6.2 Additional Considerations

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