

# EDUCATION CAPITAL POLICIES AND PROGRAMS MANUAL

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**Ministry of Education**  
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# PREAMBLE

The Ministry of Education (ministry) is working with school boards to build modern schools faster, better utilize current school capacity, and enhance accountability and transparency.

The Education Capital Policies and Programs Manual (manual) for the 2024-25 School Year is a new resource to help Ontario's provincially funded school boards and school authorities, where applicable, better understand these transformative measures, which will help shape the educational experience of students today and in the future.

The manual will support boards in:

- developing capital plans, infrastructure projects, capital funding requests, and other considerations for student accommodation planning; and
- understanding their roles and responsibilities regarding the prioritization, implementation, and funding of approved school infrastructure projects.

The manual offers:

- A central reference for policies and processes applicable to the planning, approval, and implementation of school board led infrastructure projects; and
- Guidelines and minimum standards for school boards to prepare capital funding requests, capital plans and other considerations for school board accommodation planning.

Funding for isolate board school authorities will be adjusted, as appropriate, to reflect changes in funding to district school boards. The ministry will provide further information to isolate board school authorities through an updated Addendum to the 2024-25 Overview for Isolate Board School Authorities in the coming months.

School capital planning and implementation is based on a legal and policy framework that supports the accountability of all parties. Some of the key aspects of this framework are:

## Acts

- [Education Act](#)
- [Better Schools and Student Outcomes Act, 2023](#)
- [Child Care and Early Years Act](#)

## Regulations

- [Regulation 374/23: Acquisition and Disposition of Real Property](#)
- [Regulation 20/98: Education Development Charges – General](#)
- [Regulation 193/10: Restricted Purpose Revenues](#)
- [Regulation 298: Operation of Schools – General](#)
- [Regulation 266/23: Grants for Student Needs – Legislative Grants for the 2023-2024 School Board Fiscal Year](#)

## Other Documents and Agreements

- [Memorandum 2024 B08: Capital funding for the 2024–25 school year](#)
- [Core Education Funding: Technical Guide for School Boards 2024-25](#) (available through the Education Financial Information System)

Please note that the information provided above does not constitute legal advice.

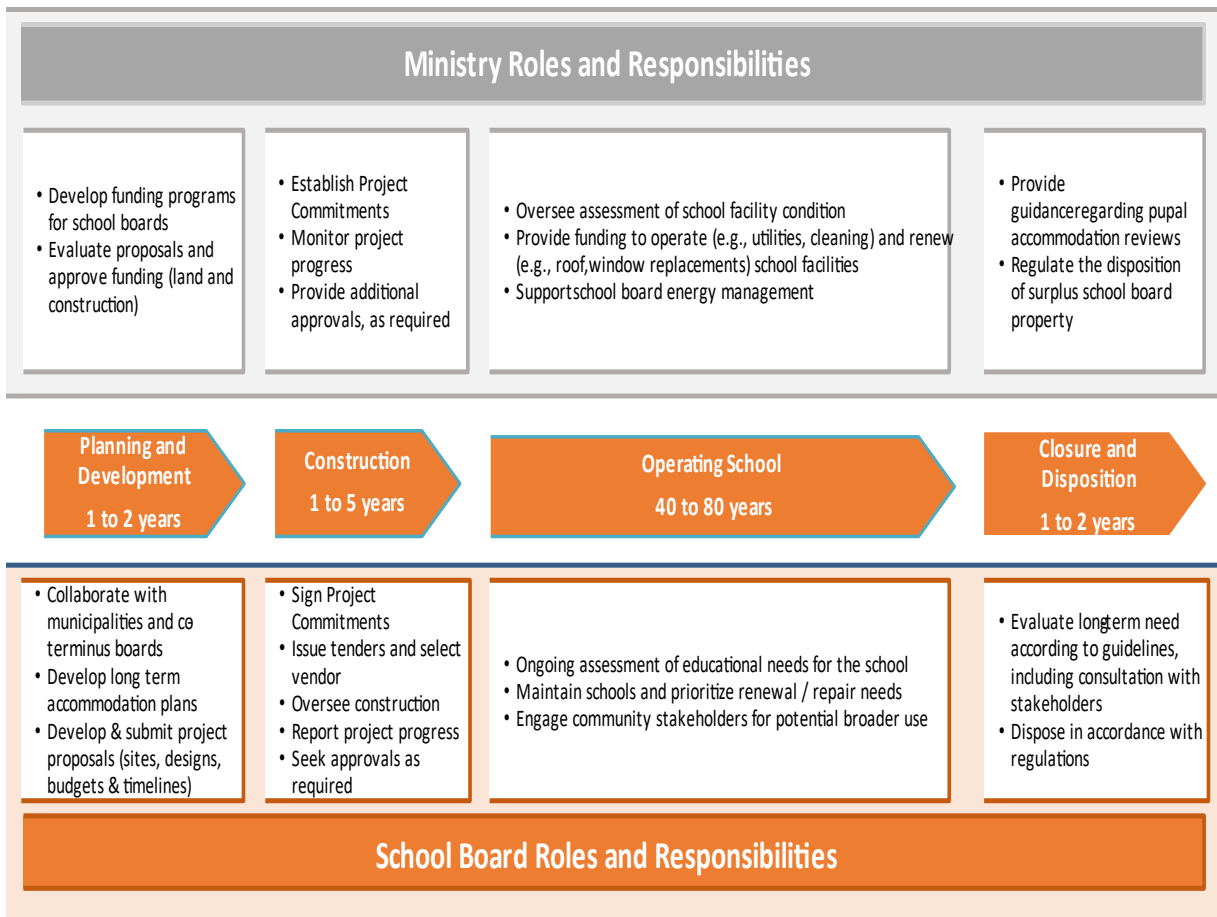
For advice on how the law applies to your situation, you may wish to seek legal advice. The information included in this manual is provided for information purposes only and is not binding. If there are discrepancies between this manual and the regulations made under the [Education Act](#), the regulations prevail.

# BUILDING, EXPANDING, AND RENEWING SCHOOLS (BERS)

As part of the provincial government’s efforts to build and invest in infrastructure, the ministry is working closely with school boards to ensure infrastructure investments meet the needs of the community and deliver good value for the Ontario taxpayers.

Sections 1 and 2 of the Guide outline the capital funding programs available to school boards for construction, purchase, additions, and renovations of schools and to maintain and improve the condition of schools.

## The Life Cycle of a School



# SECTION 1: PLANNING AND CONSTRUCTION

## Ministry Grant Programs

### Capital Priorities Program

#### Overview

The Capital Priorities (CP) Program is an annual program that provides school boards with an opportunity to identify and address their most urgent pupil accommodation needs for ministry funding consideration.

CP is the prime means of funding for new schools (built or acquired), additions or major renovations.

In 2023-24, the CP Program was enhanced to reflect key government commitments to build and invest in infrastructure. Program improvements were made to speed up the construction of new schools through enhanced design standardization, reduced approval requirements and greater transparency and accountability to support high-quality instruction in healthy, safe, and modern learning facilities.

Successful submissions will include detailed information regarding site identification, design plans, project timelines and cost estimates. Priority will be given to projects that are best positioned to be completed in a timely manner. Submissions will require details regarding site status, design plans with cost estimates, and a clear schedule with project milestones indicating a path to project completion.

Information on the launch of the 2024-25 Capital Priorities program will be shared with the sector in the future.

#### Eligibility Criteria

Projects can be submitted under one or more of the following categories:

- Accommodation pressures;
- Replacing schools due to their condition;
- Supporting past consolidation decisions;
- Providing access to French-language education rights holders in under-served areas; and



- Creating new licensed child care spaces in schools as part of larger capital requests.

The following projects are not considered eligible for Capital Priorities (CP) funding purposes:

- Projects for additional child care space that are not associated with a CP school project (i.e., child care only project requests);
- Projects associated with consolidations and/or closures where a Pupal Accommodation Review has not been completed;
- Projects addressing the renewal needs of a facility; and
- Projects addressing school board administrative space.

### Evaluation Criteria

The ministry assesses all submitted projects using project-specific quantitative and qualitative measures depending upon the category of the project. Special considerations may be given to solutions that promote innovative approaches such as schools in joint-use facilities with coterminous school boards or other third parties. School boards can refer to the 2023-24 Capital Program Guidelines that can be downloaded from the Capital and Business Support Division SharePoint site for more detail.

### Need Assessment

Project submissions must demonstrate a critical and urgent pupil accommodation need to be considered for funding approval. Pupil accommodation needs may include accommodation pressures, replacement schools, French language access and new licenced child care spaces in schools as part of the larger capital requests.

### Project Readiness Assessment

School boards are required to complete a project readiness assessment and provide a summary of key project milestones. The submission should include detailed information regarding site identification, design plans, project timelines and cost estimates. Priority will be given to projects that are best positioned to be completed in a timely manner.

In order to support project readiness, the ministry has created an EDU Design Catalogue. The EDU Design Catalogue is intended to be a primary point of reference for school boards to identify potential project designs in their submissions.

To leverage standardization of design and provide flexibility to school boards, the boards are required to identify and provide a design with their project submission from the following options:

- Selection from EDU's Design Catalogue
- Other Recently Used Repeat Designs (tendered since 2021)
- New Design: All new elementary school projects should proceed under one of the two options above. For other projects where a repeat design may not be feasible, School Boards may be provided an exception and submit a new design. These projects include:
  - additions/ renovations,
  - projects with unique site constraints,
  - podium or vertical schools,
  - secondary schools and
  - schools in joint-use facilities.

### Joint Use Facilities

The ministry encourages all school boards to consider collaborative capital project arrangements. This includes maximizing the opportunities of co-location, particularly in rural, northern, or smaller communities. There are two types of joint use schools that will be considered for funding:

- Schools in joint-use facilities shared with a coterminous board.
- Schools in joint-use facilities shared with municipalities, local community organizations and other third-party partners.

School boards must ensure that joint-use capital proposals must meet the capital and accommodation needs of the boards involved in the solution. Prior to submitting a project proposal for funding approval, school boards must explore joint-use opportunities with their coterminous boards.

Examples of joint-use arrangements may include:

- Two school boards both operating elementary or secondary programs in the same building and sharing the gymnasium, playing fields and/or specialty classrooms such as science and shop labs.
- Two school boards operating in different wings and attached through common areas such as a shared school library or public library.

Examples of what would not be considered schools in a joint-use facility, for the purposes of this program, include arrangements where:

- Schools of two distinct school boards are situated on one campus but are not located in one building.
- Two schools of two distinct school boards are situated in different buildings, but schedule access to the same sport field, sport facility or any other education related facility (e.g., outdoor learning centres, etc.)

### Urban and Innovative Schools

The ministry encourages school boards to pursue opportunities to explore new, innovative ways to build schools – such as vertical schools and podium schools. The ministry looks forward to working with school boards on advancing these and other initiatives that are part of the ministry’s ambitious capital agenda to ensure funding, programs and supports continue to meet the needs of students and school boards across the province.

### Board Performance Assessment

As part of the Capital Priorities evaluation process, school boards are assessed on their performance history delivering capital projects, including the following:

- School board’s demonstrated willingness to participate with coterminous school boards in joint-use opportunities;
- School board’s ability to manage project costs in alignment with the ministry benchmarks as evidenced by past projects;
- School board’s ability to deliver projects within the target timeframes as evidenced by the past projects;
- School board’s history of meeting the ministry’s capital accountability measures;
- Number and status of the projects a school board currently has underway.

## **Funding Methodology**

### **Prior to the 2023-24 Capital Priorities Program**

Project allocations were based on a generic formula that was comprised of the following components:

Benchmark Cost = [OTG Capacity] x [Variable Area per Pupil Place] x [Benchmark cost/m<sup>2</sup>] x [Geographic Adjustment Factor]

### **On the Ground (OTG) Capacity**

The capacity of the school as determined by the ministry by loading all instructional spaces within the facility to current ministry standards for class size requirements and room areas.

### **Variable Area per Pupil Place**

This factor converts OTG Capacity to a benchmark Gross Floor Area of the school. The factor depends on the size of the school to account for economies of scale in usage of space.

### **Project Funding as per 2023-24 Capital Priorities**

Project funding amounts are determined using cost estimations submitted by a school board and include ministry adjustments to account for cost escalation, site and municipal costs, space benchmark compliance and construction rate caps. If additional project costs are realized after ministry approval, the board may will be required request funding for these costs by providing further information to the ministry for additional funding consideration.

## **School Board Reporting/Accountability**

### **Financial Reporting**

Once a school board receives an allocation approval through the Capital Priorities Program, the project funding allocation will be reported in a Regulation Table in the Grants for Student Needs prior to 2024-25 and the Core Education Funding after 2024-25.

School boards are required to report expenditures when incurred against the project allocation through Education Financial Information System submissions for the Estimates, Revised Estimates, March Report and Financial Statements.

As well, boards are required to complete the bi-annual Major Capital Project Progress Report which captures individual project expense projections and timelines.

### Cash-Flow

Capital Priorities (CP) funding operates on a modified grant payment process where cash flow is based on school board spending. There are two annual reporting periods for this program:

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

School boards are provided funding for the short-term interest costs related to these capital programs reflecting that cash flows will occur on a semi-annual basis.

### Project Reporting

As a result of the ministry's Lean review of its Capital Accountability Framework, the ministry has redesigned the accountability framework for the major capital construction projects. The ministry's new streamlined process will reduce administrative burden while allowing for a clear path for project success.

Capital accountability measures apply to all new capital projects that school boards undertake related to new schools, additions, and major school retrofits, including child care and EarlyON projects.

School boards need to follow the ministry's Enhanced Capital Accountability Framework:

- CP projects approved in the 2023-24 school year and going forward will have a Project Commitment. Successful projects will result in a Project Commitment which will include a clear schedule, budget and scope of the project as submitted by the school board and agreed upon by the ministry. The Project Commitment will establish ministry expectations for successful project delivery.
- School boards will be responsible and accountable for implementing appropriate measures to ensure that projects are completed within the schedule, budget and scope established in the Project Commitment. Previously approved CP projects will be transitioned to the Project Commitment process. Projects that have not transitioned to a Project Commitment must continue to follow the previous Accountability Framework as outlined in [Appendix D: Capital Accountability](#)

Measures. The ministry will meet with school boards to review project progress reports on a regularly scheduled basis to monitor the progress of approved projects. Project progress status updates will be included as part of the monthly meetings.

- Projects that are progressing within the parameters of the Project Commitment will not be required to obtain any further approval from the ministry and will be able to proceed through key project milestones to project completion including design, tender, and construction stages.
  - During a project's development, however, school boards that encounter issues that puts the project at risk of not adhering to the Project Commitment, may require ministry approval to revise the Project Commitment. This could involve schedule delays, increased costs or changes in project scope. In extreme cases, the project may be subject to cancellation.
  - At the end of the project, per the Project Commitment and confirmation by the board, the project will be designated as closed. A letter will be issued by the ministry with reconciliation of the total project costs. At the ministry's discretion, unspent funds will be considered as offset for active projects or will be reallocated back to the ministry.
- The ministry will also work with school boards to transition their existing pipeline of projects to the Enhanced Capital Accountability Framework.
  - Through regular monthly meetings with school boards, the ministry will be seeking updates from school board staff on key project milestones as projects proceed from funding to opening. During these conversations school boards will have the opportunity to provide the ministry with any risks or unforeseen events that could either delay construction or increase the cost. These monthly conversations will also include new sites that are required to accommodate new schools.

For more information regarding capital priorities, please contact your Capital Analyst.

# Child Care Capital

## Overview

Child Care Capital funding can be accessed through the Capital Priorities program on an annual basis. The ministry will consider funding child care centre capital projects in schools where there is a need for new child care construction and/or renovations to existing child care spaces for children 0 to 3.8 years of age. All submissions must be linked to a larger capital priorities project submission. All licensed child care space must be built in accordance with the *Child Care and Early Years Act (CCEYA)*.

## Eligibility Criteria

Eligible capital expenses include the following:

- first-time equipping; and
- expenses incurred to meet Building Code standards that qualify under the [District School Board & School Authority Tangible Capital Assets: Provincial Accounting Policies & Implementation Guide \(TCA Guide\)](#).

Ineligible capital expenses:

- Capital funding for child care cannot be used to address other school board capital needs.
- Capital funding is not provided for school-age child care spaces as the ministry does not fund exclusive space for before and after school child care programs. Child care funding must be directed only towards child care capital projects.
- Accommodation costs (e.g., rent, heating, lighting, cleaning, maintenance, and repair costs) are the sole responsibility of the early years' operator on a cost-recovery basis, and are not eligible for capital child care funding.

## Evaluation Criteria

All child care projects must have support from their local Consolidated Municipal Service Managers (CMSM) or District Social Services Administration Boards (DSSAB).

For all child care project requests submitted through Capital Priorities, the school boards and CMSMs/ DSSABs are required to complete the Joint Child Care Submission - Capital Funding for Child Care Template.

- The Joint Submission includes project details and confirms that the child care centre program meets all eligibility and viability requirements.
- The Joint Submission template affirms that the proposed new space will not result in an operating pressure for the Consolidated Municipal Service Managers (CMSM) or District Social Services Administration Boards (DSSAB).
- The requests for capital funding must be signed by both the school board and the CMSM/ DSSAB.

A proposal for child care capital funding should include the following:

- Any trends or significant changes in neighbourhood demographics for children 0 to 3.8 years of age,
- Statistics regarding the demand for child care (example: waitlists),
- Considerations for school selection for child care, including analysis of other potential school locations,
- Details on how the space will be built (example: new space or a retrofit), site and floor plans, if available, including whether it will displace any existing rooms,
- Any alternative plans for accommodating the child care if the project is not funded,
- Identification of existing child care at the proposed site - does the current building layout support an addition to be constructed near the existing child care, and
- Plans for relocating child care in facilities being closed as part of a solution

When selecting a school to build a child care centre, school boards and CMSMs/ DSSABs should consider available operating funding, cost effectiveness of the capital project including unique site costs, child care service gaps, school capacity, location, long-term viability, age groups, demand, and the local child care plan, prior to signing the Joint Child Care Submission.

Please see 2023-24 Capital Priorities program guidelines that can be downloaded from the Capital and Business Support Division SharePoint site for more detail.

## **Funding Methodology**

### **Prior to the 2023-24 Capital Priorities Program**

The construction of child care rooms were funded using elementary school construction benchmarks (for both elementary and secondary schools under this policy), including the site-specific geographic adjustment factor (GAF). For this policy, the loading factor used



to calculate the capital funding was 26 pupil places per room regardless of age groupings (i.e., infant, toddler, preschool, and family age grouping rooms will all be funded based on 26 pupil places per room). This approach allows school boards to build child care rooms at maximum group size and allow flexibility to address potential changes under the *Child Care and Early Years Act*. This funding formula was applied to new construction of child care, including the replacement of existing child care due to school closure or accommodation review.

Capital Funding for New Construction of Child Care Rooms	=	26 Pupil Places	x	Elementary Construction Cost Benchmark	x	Elementary Area Benchmark	x	Site Specific GAF
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### Current Child Care Centre Capital Funding

Project funding amounts are determined using the cost estimations submitted by a school board with ministry adjustments to account for cost escalation, site and municipal costs, space benchmark compliance and construction rate caps. If additional project costs are realized after funding approval, the board may request funding for these costs by providing further information to the ministry for additional funding consideration.

## **School Board Reporting/Accountability**

### Financial Reporting

Once a school board receives a child care allocation approval, the project funding allocation will be reported in a Regulation Table in the Grants for Student Needs prior to 2024-25 and the Core Education Funding after 2024-25.

School boards are required to report expenditures when incurred against the project allocation through Education Financial Information System submissions for the Estimates, Revised Estimates, March Report and Financial Statements.

As well, boards are required to complete the bi-annual Major Capital Project Progress Report which captures individual project expense projections and timelines.

### Cash-Flow

Capital Priorities funding operates on a modified grant payment process where cash flow is based on school board spending. There are two annual reporting periods for this program:

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

School boards are provided funding for the short-term interest costs related to these capital programs reflecting that cash flows will occur on a semi-annual basis.

### Project Reporting

As a result of the ministry's Lean review of its Capital Accountability Framework, the ministry has redesigned the accountability framework for the major capital construction projects. The ministry's new streamlined process will reduce administrative burden while allowing for a clear path for project success.

Capital accountability measures apply to all new capital projects that school boards undertake related to new schools, additions, and major school retrofits, including child care.

School boards need to follow the ministry's Enhanced Capital Accountability Framework:

- Capital Priorities (CP) projects approved in the 2023-24 school year and going forward will have a Project Commitment. Successful projects will result in a Project Commitment which will include a clear schedule, budget and scope of the project as submitted by the school board and agreed upon by the ministry. The Project Commitment will establish ministry expectations for successful project delivery.
- School boards will be responsible and accountable for implementing appropriate measures to ensure that projects are completed within the schedule, budget and scope established in the Project Commitment. Previously approved CP projects will be transitioned to the Project Commitment process. Projects that have not transitioned to a Project Commitment must continue to follow the previous Accountability Framework as outlined in [Appendix D: Capital Accountability Measures](#).
- The ministry will meet with school boards to review project progress reports on a regularly scheduled basis to monitor the progress of approved projects. Project progress status updates will be included as part of the monthly meetings.
  - Projects that are progressing within the parameters of the Project Commitment will not be required to obtain any further approval from the ministry and will be able to proceed through key project milestones to project completion including design, tender, and construction stages.

- During a project's development, however, school boards that encounter issues that puts the project at risk of not adhering to the Project Commitment, may require ministry approval to revise the Project Commitment. This could involve schedule delays, increased costs or changes in project scope. In extreme cases, the project may be subject to cancellation.
- At the end of the project, per the Project Commitment and confirmation by the board, the project will be designated as closed. A letter will be issued by the ministry with reconciliation of the total project costs. At the ministry's discretion, unspent funds will be considered as offset for active projects or will be reallocated back to the ministry.
- The ministry will also work with school boards to transition their existing pipeline of projects to the Enhanced Capital Accountability Framework.
- Through regular monthly meetings with school boards, the ministry will be seeking updates from school board staff on key project milestones as projects proceed from funding to opening. During these conversations school boards will have the opportunity to provide the ministry with any risks or unforeseen events that could either delay construction or increase the cost. These monthly conversations will also include new sites that are required to accommodate new schools.

#### Child Care Licensed Spaces – Floor Plan Approval

For all school based child care centre capital projects: school boards, Consolidated Municipal Service Manager (CMSMs) and District Social Services Administration Boards (DSSABs) and/or child care operators should contact their child care licensing representative as soon as possible, as all child care centre capital projects require a floor plan approval letter issued by the ministry's Child Care Quality Assurance and Licensing Branch. This letter must be shared with the school board's capital analyst prior to receiving the ministry's approval to proceed or starting construction. To streamline the floor plan approval process, school boards, CMSMs and DSSABs and/or child care operators should note to their child care licensing representative if the child care floor plan has been used in the past (i.e., a repeat child care floor plan design) or if the child care floor plan will be used for multiple child care sites in the near future.

For more information regarding child care capital, please contact your Capital Analyst.

# Land Priorities

## Overview

The Land Priorities Grant program provides funding for school boards that require land to support future capital projects on a case-by-case basis. It is the source of funding to buy land for school boards that are not eligible to collect revenue from Education Development Charges (EDCs), or for school sites that are required for reasons other than new residential growth.

For many of the new schools that the ministry supports through the Capital Priorities (CP) funding program, the school board will need to acquire a new site.

The acquisition of a new site and costs for site preparation, are supported through either of the two streams of funding:

- EDCs for eligible school boards and sites
- For school boards that are not eligible to collect EDCs, school boards can request funding through the ministry's Land Priorities program.

Please see [Education Development Charges](#) for information regarding EDCs.

School boards can request funding through the Land Priorities program at any time during the year or through the CP annual call for proposals.

Funding requests to support land needs are reviewed on a case-by-case basis. School boards are not required to have a previously approved project through the CP program in order to request Land Priority funding, however, the school board must submit documentation to demonstrate the need for the site.

For all site acquisitions, school boards are required to follow the notification requirements set out in the *Education Act* and *Ontario Regulation 374/23*. For detailed information, please see [Funding Methodology](#) in this section.

## Eligibility Criteria

School boards can request funding through the Land Priorities program to support the following:

- The acquisition of a site for new school construction including child care centres;
- The acquisition of lots adjacent to existing schools for school expansion, including child care centres;

- Site improvements to make the sites suitable for construction, such as soil remediation, additional fill, or demolition of existing structures, and
- Addressing extraordinary municipal requirements.

The program supports costs that are directly attributed to acquiring and servicing the site. Below provides some examples:

- The amount of money required to acquire the site;
- Costs related to studies of land being considered for acquisition such as environmental assessments, soil analysis, etc.);
- Soft costs such as legal fees; and
- Costs to service the land in preparation for construction (environmental remediation, municipal service lines, grading etc.) that have not been supported through the Capital Priorities program.

School boards must adhere to the maximum site size depending on the number of pupil places that are estimated to be constructed for that particular size as per the Education Development Charge regulation (*Ont. Reg. 20/98 – Education Development Charges - General*).

The ministry does not identify specific situations in which a site size may exceed the sizes specified in the regulation. When the area of any proposed site exceeds the site designations in the below table, justification as to the need should be provided.

<b>Number of Pupils Elementary</b>	<b># of Acres Elementary</b>	<b>Number of Pupils Secondary</b>	<b># of Acres Secondary</b>
1 to 400	4	1 to 1000	12
401 to 500	5	1001 to 1100	13
501 to 600	6	1101 to 1200	14
601 to 700	7	1201 to 1300	15
701 or more	8	1301 to 1400	16
		1401 to 1500	17
		1501 or more	18

## **Funding Methodology**

Once a school board has identified a site that they would like to purchase, pursuant to subsection 195(1.1) of the *Education Act*, they are required to:

- Notify the ministry of their intent to acquire (purchase, lease or expropriate) a site before the acquisition or application under section 195 of the *Education Act*; and
- At the time of notification, the school board should request the amount of funding required to support the site acquisition.

Upon receiving notification, the ministry has 60 days to respond to school boards if there is any objection to the acquisition. Note, however, that acquisition notifications that require additional approval, such as for Land Priorities funding from the ministry, the ministry is not required to respond to the school board within the 60-day notification window.

The following documents are required to be submitted to support the ministry request:

- A completed copy of the ministry's Notification of Site Acquisition form which can be requested from the ministry capital analyst for the board;
- A business case including 15-year enrollment numbers to support the need for a new site (only for projects that have not been previously approved through the ministries Capital Priorities Program)
- A draft copy of the Agreement of Purchase and Sale;
- An appraisal completed by Certified Appraiser, a member of the Appraisal Institute of Canada; and
- Copy of a Phase 1 Environmental Report.

Additional steps and information are required for school boards seeking funding to acquire a property on a shared-use site.

The regulation *O. Reg 374/23 Acquisition and Disposition of Real Property* includes requirements that school boards must follow if intending to purchase a shared-use site which is a site that will be shared amongst multiple parties, such as a school site in the podium of a mixed-use residential building.

Please see the section on [\*O. Reg. 374/23 – Acquisition and Disposition of Real Property\*](#) for additional information.

## **School Board Reporting/Accountability**

### **Financial Reporting**

Once a school board receives an allocation through the Land Priorities program via a letter from the ministry, the allocation by project will be reported in a Regulation Table in the Grants for Grants for Student Needs prior to 2024-25 and the Core Education Funding after 2024-25.

School boards are required to report expenditures when incurred against the project allocation through Education Financial Information System submissions for the Estimates, Revised Estimates, March Report and Financial Statements.

As well, boards are required to complete the bi-annual Major Capital Project Progress Report which captures individual project expense projections and timelines.

### **Cash Flow**

Land Priorities funding operates on a modified grant payment process where cash flow is based on school board spending. There are two annual reporting periods for this program:

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

School boards are provided funding for the short-term interest costs related to this capital program reflecting that cash flows will occur on a semi-annual basis. School boards are also required to provide all the necessary information regarding the site as required in the Major Capital Project Progress Report and Education Capital Information System.

School boards are responsible and accountable for implementing appropriate measures to ensure site acquisitions are completed efficiently and effectively to protect taxpayers' dollars.

In some cases, the Land Priority funding granted may be reclaimed by the ministry.

## Project Reporting

Through regular monthly meetings with school boards, the ministry will be seeking updates from school board staff on key project milestones as projects proceed from funding to opening. During these conversations school boards will have the opportunity to provide the ministry with any risks or unforeseen events that could either delay construction or increase the cost. These monthly conversations will also include new sites that are required to accommodate new schools.

For more information regarding land priorities, please contact your Capital Analyst.



# Temporary Accommodation

## Overview

The ministry will continue to fund future Temporary Accommodation Allocations based on the proportion to school boards' historical share of temporary accommodation activity. This funding may be used for portable moves, leases, and purchases, as well as for lease costs for permanent instructional space.

## Eligibility Criteria

All school boards are eligible to receive the Temporary Accommodation Allocation to address fluctuating accommodation needs through the use of portables and/or operating lease costs for permanent spaces.

## Funding Methodology

The Temporary Accommodation Allocation is modelled on a board's portable activity (new purchases or relocations) and reported lease costs. The portable activity component of this allocation is based on the three-year historical average of the changes to school specific portable counts as confirmed during the Data Verification Process. The lease component is based on the operating lease cost for permanent spaces reported in Data form A2 – Enveloping – Temporary Accommodation of the Education Financial Information System (EFIS) Revised Estimates.

## School Board Reporting/Accountability

### Financial Reporting

School boards are required to provide all the necessary Temporary Accommodation information in EFIS and Education Capital Information System (ECIS) or as requested by the ministry.

The use of funds from the Temporary Accommodation Allocation is subject to audit. The ministry may follow up on reported expenditures. Failure to provide details when requested could result in the ministry either having to recover or withhold funds. Where the Temporary Accommodation Allocation is insufficient or unavailable, school boards can use funds from the School Renewal Allocation to support the repair, retrofit and replacement of existing portables.

Boards are encouraged to use their Temporary Accommodation Allocation prior to directing School Renewal Allocation funds towards existing portable costs. Renewal funding cannot be used for the addition of portables that would increase the board's inventory.

School boards can also look at using their School Operations Allocation to support operating costs such as moves/short-term leases.

For more information regarding temporary accommodation, please contact your Capital Analyst.

Refer to [Appendix A](#) for 2024-25 Temporary Accommodation Allocation.

# Other Revenue Sources

## Education Development Charges

### Overview

Education Development Charges (EDCs) are a revenue source for eligible school boards that need to purchase land for new schools to accommodate students coming from new housing development. EDCs can also support costs related to site preparation, and beginning in 2019, lower cost alternatives to site acquisition.

School boards are provided with the general authority to impose EDCs for new school sites in Division E of Part IX of the *Education Act, Ontario Regulation 20/98 (Education Development Charges – General)*, as amended, provides requirements for determining a school board's eligibility to impose EDCs on new development, and the calculation of the charges.

### Eligibility Criteria

EDC rates are set out in by-laws approved by school boards, which are reviewed every five years. Before approving a by-law, school boards are required to submit a background study to the ministry which outlines, among other things, anticipated enrolment growth from development, the number of school sites required, Alternative Projects, Local Education Development Agreements (LEDA) and any capacity exemption requests.

Before approving an EDC by-law, a school board is required to:

- Demonstrate that the school board's projected five-year average elementary or secondary enrolment within its jurisdiction exceeds the school board's elementary or secondary capacity; or the school board's current EDCs financial obligations exceed the revenues reported in the EDCs Reserve Fund;
- Prepare an EDCs background study (which includes details on the calculation of the EDC rate, Alternative Projects and LEDAs);
- Receive written approval from the Minister of Education of the estimated enrolment projections, number of new school sites required, Alternative Projects, LEDAs and the exclusion of any available capacity.

Pursuant to subsection 195(1.1) of the *Education Act*, school boards are required to notify the ministry of their intent to acquire (purchase, lease or expropriate) a site at least 60 days before the acquisition or application. Upon receipt of that notice, the ministry will conduct a detailed review and respond accordingly. The approval of the site requirements in this background study is not a determination under section 195 of the Act.

School boards are responsible and accountable for implementing appropriate measures to ensure site acquisitions are completed efficiently and effectively to protect taxpayers' dollars. Any application of Education Development Charges (EDC) revenues should align with the land requirements as set out in the board's EDC background study.

Through regular monthly meetings with school boards, the ministry will be seeking updates from school board staff on key project milestones as projects proceed from funding to opening. During these conversations school boards will have the opportunity to provide the ministry with any risks or unforeseen events that could either delay construction or increase the cost. These monthly conversations will also include new sites that are required to accommodate new schools.

For more details on EDCs, please refer to the [Education Development Charges Guidelines](#).

# Capital Planning Capacity Funding

## Overview

The Capital Planning Capacity (CPC) program supports school boards in acquiring additional resources to support a range of capital planning-related activities with a particular focus on (1) data management and (2) capacity building.

This funding is flowed through the CPC Amount as part of the School Board Administration Fund in the Core Education Funding.

## Data Management

Funding for Data Management supports school boards to increase decision making capacity by enhancing the ability to update and manage school facility data in a timely manner.

## Capacity Building

Funding for Capacity Building supports school boards to undertake capital planning activities, including:

- ensure they develop capital plans to effectively right-size and manage excess capacity in their schools;
- identifying and developing potential facility partnership opportunities; and
- supporting the hiring of third-party mediation services to facilitate municipal/school board planning discussions.

## Funding Methodology

Additional details can be found in the [Core Education Funding: Technical Guide for School Boards 2024-25](#).

Refer to [Appendix A](#) for 2024-25 Capital Planning Capacity funding.

## School Board Reporting/Accountability

All reported expenditures must be reported by boards to the ministry when incurred against the project allocation through Education Financial Information System submissions for the Estimates, Revised Estimates, March Report and Financial Statements.

# Ministry Policy, Guidelines, Legislation and Regulations

## Capital Planning

It is the responsibility of the government and broader public entities to make the best use of public assets. Supported by Capital Planning Capacity (CPC) funding and as part of effective management of school board assets, school boards should be undertaking regular capital planning to address current and future needs.

Boards are encouraged to share planning information publicly to enable school boards and other entities to work together to optimize the use of public assets owned by school boards.

The *Better Schools and Student Outcomes Act, 2023* also requires collaboration of school boards with municipalities to plan for the early and integrated development of school sites to meet current and future needs of the board, aligned with the proposed Provincial Planning Statement.

## Community Planning and Partnerships Guideline

The [Community Planning and Partnerships Guideline](#) (CPPG) encourages school boards to share planning information with the local municipality and community organizations.

## Schools in Joint-Use Facilities

To support students to go to school as close to home as possible, school boards should explore and maximize opportunities of co-location, where appropriate, particularly in rural and northern communities.

Joint-use school arrangements can provide opportunities for students to gain access to specialized classrooms, gymnasias, playing fields and library facilities to which, they may not have had access in a smaller, stand-alone school.

Working with school boards, the ministry supported the development of materials to guide school boards in pursuing collaboration for schools in joint-use facilities:

- [Joint-Use Schools Experience Study](#)
- [Leading Practices Toolkit for School Boards Considering a Joint-Use School](#)

The *Better Schools and Student Outcomes Act, 2023* provides the Minister with authority to direct school boards to enter into arrangements respecting the schools in joint use facilities came into effect on December 31, 2023. The ministry will continue to collaborate with Trustee Associations and school boards to build on successful examples of schools in joint-use facilities across the province.

See [Capital Priorities Program](#) for more details on schools in joint-use facilities requests.

# SECTION 2: OPERATING AND RENEWAL

## Ministry Grant Programs

### School Renewal Funding

The ministry is committed to supporting modern and safe learning environments. For the 2024-25 school year, the ministry will be investing an additional \$1.4 billion through the following two programs:

- School Condition Improvement at \$1,070 million – part of Building, Expanding, and Renewing Schools (BERS); and
- School Renewal Allocation projected to be about \$375 million – part of the School Facilities Fund (SFF) under Core Education Funding (CEF).

#### Time Limits on Renewal Funding

Significant annual investments are made to renew and improve school and it is important that on the ground improvement are realized in a timely manner. For this reason, last year, the ministry introduced time limits on renewal funds where funding expires approximately 2.5 years after being allocated.

- 2023-24 school year renewal allocations will expire March 31, 2026.
- 2024-25 school year renewal allocations will expire March 31, 2027.
- All funds available from prior school years will expire March 31, 2027.

Consideration will be provided for funds that are legally committed. Project details, including start date, end date and commitments must be reported in VFA Facility.

### School Facilities Fund

The SFF, part of CEF, addresses the costs of operating (such as heating, lighting, and cleaning), maintaining, and renewing (such as repairs and ventilation and accessibility updates) school buildings. It also improves education for students from rural and northern communities.



The School Facilities Fund (SFF) comprises the following allocations:

- School Operations Allocation – The School Operations Allocation in the SFF continues to provide funding support to optimize ventilation in schools, which is projected to be \$29.5 million. Additional details on the School Operations Allocation can be found in the [Core Education Funding: Technical Guide for School Boards 2024-25](#).
- Rural and Northern Education Allocation – Additional details on the Rural and Northern Education Allocation can be found in the [Core Education Funding: Technical Guide for School Boards 2024-25](#).
- School Renewal Allocation (SRA) – The SRA allows school boards to revitalize and renew aged building systems and components. More details on the SRA can be found in the section below.

# School Renewal Allocation

## Overview

Funding through this allocation is intended to maintain, renew (e.g., roof repairs), and modernize schools (e.g., addressing accessibility and adding ventilation to non-ventilated spaces in schools); and provides additional cost adjustments to account for geographic considerations impacting renewal activity (e.g., geographically isolated schools).

The School Renewal Allocation (SRA) comprises the following components:

- Base School Renewal component
- Enhanced Top-up for School Renewal component
- Deferred Maintenance Needs Enhancement component
- School Renewal Investment component

The SRA is primarily limited to capital renewal expenditures.

## **Caps on Operating Expenses**

As of 2014–15, any increase in the amount of school renewal funding directed towards operating expenses, under this allocation, is limited to an additional 5 per cent of each school board’s historical three-year average amount spent on operating (using the 2010–11, 2011–12 and 2012–13 fiscal years). This is to ensure that part of this funding continues to be used for depreciable type expenses.

Definitions to support this allocation are in the following table:

<b>School Renewal Allocation – Key Elements</b>			
<b>Element</b>	<b>Elementary Panel</b>	<b>Secondary Panel</b>	<b>Adult Education / Other Programs</b>
Enrolment	Day-School ADE of pupils enrolled in junior kindergarten, senior kindergarten, and Grades 1 through 8.	Day-School ADE of pupils enrolled in Grades 9 through 12, excluding students 21 years of age and older.	<ul style="list-style-type: none"><li>▪ Day-School ADE of pupils 21 years of age or older, high-credit portion of pupils in secondary school.</li><li>▪ ADE of pupils enrolled in continuing education credit</li></ul>

<b>School Renewal Allocation – Key Elements</b>			
<b>Element</b>	<b>Elementary Panel</b>	<b>Secondary Panel</b>	<b>Adult Education / Other Programs</b>
			<p>courses during the day (excluding pupils enrolled in correspondence self-study/online learning programs).</p> <ul style="list-style-type: none"> <li>▪ ADE of pupils enrolled in summer school programs.</li> <li>▪ Approved spaces in care, treatment and custody programs that operate in school board-owned space are treated as continuing education.</li> </ul>
On the Ground Capacity (OTG)	The ministry has identified categories of instructional space for all elementary and secondary facilities of a school board using the Report of the PAR Committee (August 1998). A loading has been assigned to each category of instructional space identified, based on the number of pupils that can reasonably be accommodated in each category of instructional space. The sum of all the loading in the instructional space within a facility is its capacity.		N/A
Benchmark Area Requirement per Pupil (fixed)	9.7 m <sup>2</sup>	12.07 m <sup>2</sup>	9.29 m <sup>2</sup>
	The Benchmark Area Requirement per Pupil provides sufficient teaching and ancillary space to permit the effective delivery of elementary school programming (including primary class		The Benchmark Area Requirement for Adult Education and Other Programs is lower than the traditional

<b>School Renewal Allocation – Key Elements</b>			
<b>Element</b>	<b>Elementary Panel</b>	<b>Secondary Panel</b>	<b>Adult Education / Other Programs</b>
	size), and secondary school programming. It also provides additional space required to accommodate the typical distribution of special education, learning opportunities and language (e.g., ESL, etc.) programming.		secondary school panel because no additional space is required for special needs programs.
Supplementary Area Factor (SAF)	<p>The school board specific SAF recognizes unique design features of a board’s school facilities such as wide hallways, large shop spaces, and auditorium space, as well as the additional space requirement associated with special needs programming.</p> <p>Each school board has an elementary and secondary SAF that is greater than or equal to an adjustment factor of 1.0 (the secondary SAF is used for adult education/other programs).</p> <p>Each school board’s SAF is set out in the funding regulation.</p>		
Benchmark for Renewal Costs	<p>Allocation method benchmark for renewal costs:</p> <p>School board-specific weighted average of \$7.89 per m<sup>2</sup> and \$11.83 per m<sup>2</sup> with the weights reflecting the school board’s total area under and over 20 years of age (weighted average age) respectively.</p> <p>Each school board’s percentage of elementary and secondary school facility areas that are under and over 20 years of age are set out in the funding regulation.</p>		
Geographic Adjustment Factor (GAF) (2011)	<p>The GAF is a cost index used by the ministry to identify and recognize regional variations in the construction and renewal costs of school facilities.</p> <p>Each school board’s GAFs are set out in the funding regulation.</p>		

## Adjustment Factor Calculations

School board specific adjustment factors reflect data available in the School Facility Inventory System (SFIS) as of September 2, 2014.

### Weighted School Age

For the purpose of calculating the Supplementary Area Factor (SAF) and the School Renewal cost benchmark (i.e., over/under 20 benchmarks), the ministry determines a weighted average age for each school to better reflect a school's age. The age of the original building and all permanent additions are weighted by their respective gross floor area. The example below demonstrates how the weighted average ages are calculated.

<b>Example: School Age Calculation</b>			
<b>Construction History</b>	<b>Age</b>	<b>Gross Floor Area (GFA)</b>	<b>Age x GFA</b>
Original Construction	40	1,000	40,000
Addition	20	1,500	30,000
Addition	10	3,000	30,000
Demolition	40	-500	-20,000
Addition	2	500	1,000
Total		5,500	81,000
Weighted Average Age		81,000/5,500 = 14.73	

The weighted ages of schools have been updated as of September 2, 2014.

## Supplementary Area Factor

A school board's SAF is determined by comparing its area per pupil, per panel, with the benchmark area per pupil of 9.7m<sup>2</sup> for elementary and 12.07 m<sup>2</sup> for secondary. If the school board's area per pupil is less than the benchmark, it is deemed to have an SAF of 1.0. To calculate a school board's area per pupil, the total adjusted gross floor area (GFA) by panel is divided by the total on-the-ground capacity.

To determine a school board's total adjusted GFA, schools with a weighted average age of 10 years or less are subject to adjustment to reflect the construction area benchmarks introduced in 2000. This adjustment reflects that school boards should have been building their schools to these ministry construction area benchmarks. The area per pupil calculation for these schools has been adjusted to reflect the lesser of the school's actual area per pupil or the variable construction area benchmarks introduced in memorandum [2011:B6: Revised Capital Funding Benchmarks](#).

The data used to calculate the SAFs have been updated as of September 2, 2014.

The following subset of schools will be exempted from this adjustment:

- Elementary schools with a capacity of less than 200 pupil places
- Secondary schools with a capacity of less than 300 pupil places
- Elementary schools where the variable benchmark is less than the fixed area per pupil of 9.7m<sup>2</sup>
- Secondary schools where the variable benchmark is less than the fixed benchmark area per pupil of 12.07 m<sup>2</sup>

For the first two items, the actual gross floor area (GFA) is used, as the ministry does not have a construction area benchmark for schools below the specified capacity threshold. For the last two items, the GFA is adjusted to reflect the lesser of the actual area per pupil or the (fixed) benchmark area requirement per pupil. This means that, for the purposes of calculating the SAF, a school's GFA was not adjusted below the fixed elementary (9.7 m<sup>2</sup>) or secondary (12.07 m<sup>2</sup>) benchmark area requirements. The table below illustrates how the SAFs have been calculated.

<b>Example: Elementary SAF Calculation</b>					
<b>Board Owned Schools</b>	<b>Weighted Average Age</b>	<b>OTG</b>	<b>Adjusted Area Calculation [Area per Pupil = (GFA / OTG)]</b>		<b>GFA</b>
XX	25	210	Area per Pupil	= 2,431 m <sup>2</sup> / 210 pupil places = 11.58 m <sup>2</sup> /per pupil place	2,431 m <sup>2</sup>
YY	5	465	Actual GFA	= 5,100 m <sup>2</sup>	The adjusted GFA for this school would be used to calculate the SAF for the elementary panel for this school board:  4,813 m <sup>2</sup>
			OTG	= 465 pupil places	
			Area per Pupil	= 5,100 / 465	
			Variable benchmark OTG	= 10.97 m <sup>2</sup> /per pupil place = 465 pupil places	
			New Variable Area per Pupil	= 10.35 m <sup>2</sup> /per pupil place	

<b>Example: Elementary SAF Calculation</b>					
<b>Board Owned Schools</b>	<b>Weighted Average Age</b>	<b>OTG</b>	<b>Adjusted Area Calculation [Area per Pupil = (GFA / OTG)]</b>		<b>GFA</b>
			Adjusted GFA	= OTG x Variable Area per Pupil = 465 x 10.35 = 4,813 m <sup>2</sup>	
			Take lesser GFA of 5,100 m <sup>2</sup> and 4,813 m <sup>2</sup>		
ZZ	3	620	Actual GFA	= 6,070 m <sup>2</sup>	The unadjusted GFA for this school would be used to calculate the SAF for the elementary panel for this school board:  6,070 m <sup>2</sup>
			OTG	= 620 pupil places	
			Area per Pupil	= 6,070 / 620	
			Variable benchmark OTG	= 9.79 m <sup>2</sup> /per pupil place = 620 pupil places	
			New Variable Area per Pupil	= 10.12 m <sup>2</sup> /per pupil place	
			Adjusted GFA	= OTG x Variable Area per Pupil = 620 x 10.12 = 6,295 m <sup>2</sup>	
			Take lesser GFA of 6,070 and 6,295 m <sup>2</sup>		
<b>Total</b>		<b>1,295</b>			<b>13,314 m<sup>2</sup></b>
SAF = (GFA/OTG) / Benchmark Area per Pupil = (13,314 m <sup>2</sup> / 1,295) / 9.7 m <sup>2</sup> = 1.060					

### **Age Factor – Over/Under 20 Years of Age**

The over/under 20 years of age factor is applied to the renewal allocation to reflect that a school's renewal needs increase with age. This school board specific adjustment factor is calculated by panel and incorporates the weighted average age calculation to determine whether a school's gross floor area is under or over 20 years of age.

#### Benchmark

- The benchmark renewal cost for schools < 20 years of age is: \$7.89 per m<sup>2</sup>
- The benchmark renewal cost for schools ≥ 20 years of age is: \$11.83 per m<sup>2</sup>

## **Base School Renewal component**

The Base School Renewal component is calculated using the following formula:

Enrolment × Benchmark Area Per Pupil × SAF × Benchmark for Renewal Cost × GAF

The factors used to determine the Base School Renewal component for elementary, secondary, and other programs are set in the table above.

## **Enhanced Top-up for School Renewal component**

The Base School Renewal component is calculated using enrolment and does not recognize excess capacity at individual school facilities. The Enhanced Top-up for School Renewal component provides funding to address the cost of repairing and renovating eligible school facilities with excess capacity.

The Enhanced Top-up for School Renewal component is calculated on an individual school-facility level for those facilities that are offering a regular day-school program (exclusive of adult day school) that are distant from one another and are operating at less than full capacity, that is, in facilities where ADE is less than capacity.

School facilities where enrolment exceeds capacity will not generate any enhanced top-up funding; however, the entire enrolment of the facility (including the portion of enrolment greater than capacity) is generating funding from the Base School Renewal component.

New school facilities that opened or have undergone significant renovations in or after 2018-19 are not eligible for this funding this year.



Definition	Description
Eligibility requirements to qualify for enhanced top-up	<p>A school facility<sup>1</sup> is eligible for Enhanced Top-up for School Renewal if it meets one of the following criteria:</p> <ul style="list-style-type: none"> <li>• facility is an elementary school where the next closest elementary or secondary school of the board is at least 10 kilometres away, or</li> <li>• facility is a secondary school where the next closest secondary school of the board is at least 20 kilometres away.</li> </ul>

**Note:** The distance to the closest school is measured by road network, and the next closest school facility does not include any school facility on the same campus.

***Enhanced Top-up for School Renewal component =***

$$\begin{aligned} & \min (100\%, 1 - ADE/OTG) \times \\ & OTG \times \\ & Benchmark Area Per Pupil \times \\ & SAF \times \\ & Benchmark for Renewal Costs \times \\ & GAF \end{aligned}$$

The Enhanced Top-up for School Renewal component along with other components of the School Renewal Allocation will ensure that qualifying school facilities are funded at 100 per cent of their capacity.

**Deferred Maintenance Needs Enhancement component**

The Deferred Maintenance Needs Enhancement component is an annual allocation provided to school boards to address deferred maintenance needs.

Each school board’s Deferred Maintenance Needs Enhancement component is set out in the funding regulation. The GAF is applied to this amount.

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<sup>1</sup> School facilities that only have remote learning ADE are not eligible for this funding.

## **School Renewal Investment component**

This additional capital funding is allocated in proportion to a board's relative share of provincial Base School Renewal and Enhanced Top-Up for School Renewal components.

Each school board's School Renewal Investment component is set out in the funding regulation.

Refer to [Appendix A](#) for 2024-25 School Renewal Allocation Funding Allocation by Board.

# School Condition Improvement

## Overview

School Condition Improvement (SCI) is a capital renewal program that allows school boards to revitalize and renew building components that have exceeded or will exceed their useful life cycle. Items eligible for SCI funding are identified through the ministry's School Facility Condition Assessment Program. Projects must support the overall objective of addressing facility renewal needs (either assessed needs or on a proactive basis).

School boards are required to direct 70 per cent of their SCI funds to address major building components (e.g., foundations, roofs, windows) and systems (e.g., plumbing and heating, ventilation, and air conditioning). The remaining 30 percent of SCI funding can continue to address the above listed building components or, alternatively, building interiors and surrounding site components (e.g., utilities, parking, and pavements).

Unspent funds in any given school year will be carried forward to the next school year and continue to follow the "70/30" rule. School boards are also reminded that all SCI-funded expenditures must be depreciable in nature and must be reported in the ministry's renewal database. Payments will be made twice a year based on reported expenditures.

## Funding Methodology

For the 2024-25 school year, the ministry will allocate \$1,070 million to school boards through this program. As in prior years, 2024-25 SCI funding has been allocated in proportion to a school board's total assessed five-year renewal needs (relative to the provincial total) and reflects assessment results from 2020. Only school facilities (school board owned or capital lease) that were open and operating in the 2023-24 school year (based on revised estimates) were considered for funding.

Refer to [Appendix A](#) for 2024-25 SCI Funding.

## **Eligibility Criteria**

The ministry expects that school boards will spend their School Condition Improvement (SCI) funds on schools that need to remain open. For schools that are scheduled to be closed or are planned to be part of an upcoming accommodation review, renewal funds should only be used to address renewal needs that could compromise the continuing operation of these schools in the short-term. Please see [Appendix B](#) for a detailed breakdown of eligible components under SCI.

## **School Board Reporting/Accountability (Including School Condition Improvement and School Renewal Allocation)**

The ministry's expectation is that school boards will spend their renewal funds on schools that need to remain open and operating. For schools that are scheduled to be closed or are under consideration for closure, renewal funds should only be used to address renewal needs that could compromise the continuing operation of these schools in the short term (including any health and safety considerations). Renewal funds cannot be spent on administrative or operations buildings, on a community hub, to increase the gross floor area of a school facility or to service debt.

School boards are expected to use the SCI amount on expenditures categorized in the ministry's Uniform Code of Accounts as a renewal expenditure. Further, the expenditure must meet the requirements to be capitalized under the terms of the document entitled [School Board and School Authority Tangible Capital Assets: Provincial Accounting Policies and Implementation Guide](#).

Reimbursement of SCI expenditures is contingent on timely reporting.

All School Renewal Allocation and SCI expenditures must be reported in VFA Facility twice annually:

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

Capital expenditures are reported in VFA Facility, which are then loaded to Education Financial Information System. Please note the ministry may follow up on reported expenditures. Failure to provide details when requested could result in the ministry either having to recover or withhold funds.

# Other Revenue Sources

## Proceeds of Disposition

### Overview

Proceeds of Disposition (POD) are generated when school boards sell school board properties. The process for disposing school board properties is governed by *Regulation 374/23: Acquisition and Disposition of Real Property*. School boards will continue to dispose of property at Fair Market Value and use the proceeds of disposition to reinvest back in school facilities as per *Ontario Regulation 193/10: Restricted Purpose Revenues*.

Under s.233 of the *Education Act*, the Minister is permitted to make regulations that restrict the use of any revenue. *O. Reg 193/10* outlines restrictions on the use of POD. Only the Minister can provide an exemption to this requirement and permit a board to use the funds for another specified purpose.

### **Eligibility Criteria – Proceeds of Disposition Generated from School Facilities**

#### Proceeds of Disposition School Facilities

POD generated through the sale of school property (i.e., land with or without facilities) must be used for the repair and renewal of existing schools. School boards are to follow the expenditure requirements that are aligned with the School Condition Improvement (SCI) program. School boards are to spend a minimum 80% of their POD to target key building components and systems, with the remaining up to 20% addressing other locally identified renewal needs. Please [Appendix C](#) for SCI Expenditure Categories by Component which explains the SCI categories of restricted (80%) and unrestricted (20%) expenditures.

School boards requesting to use POD from school facilities for purposes that fall outside of the SCI expenditure requirements may request a Minister's exemption to *O. Reg. 193/10*.

In requesting an exemption to this policy, school boards must demonstrate that they have plans to address their renewal requirements including improving accessibility and optimizing ventilation at existing schools.

Boards can submit requests to the ministry using the POD Form. For more details on the POD form, please contact your Capital Analyst.

## **Eligibility Criteria – Proceeds of Disposition Generated from Board Administration Facilities**

### **Proceeds of Disposition Board Administration**

Boards also have the capacity to generate Administrative Proceeds of Disposition (Admin POD) through the selling of administrative buildings and sites.

Proceeds of Disposition (POD) generated from the sale (or other disposition) of a property that was used for administrative purposes, as of December 31, 1997, can be used for administrative site expenditures (purchase of real property, and additions, alterations, and repairs). These proceeds contribute to the upper limit of funds that a board can use for administrative site expenditure. If the proceeds are generated from a property that exceeds two hectares, other conditions will apply.

Boards can submit requests to the ministry using the POD Form. For more details on the POD form, please contact your Capital Analyst.

See O. Reg. 193/10: Restricted Purpose Revenues for additional details and notification requirements.

### **School Board Reporting/Accountability**

Addressing the renewal needs of schools is a ministry priority. The decision to restrict POD spending to renewal projects ensures that more resources are directed to renewal.

#### **Financial Reporting**

Boards must report POD renewal expenditures in VFA facility as is required with School Condition Improvement expenditures. Reported expenditures will be uploaded to Education Financial Information System.

School boards requesting to use POD from school facilities for purposes that fall outside of the SCI expenditure requirements may request a Minister's exemption to *O. Reg. 193/10*.

In requesting an exemption to this policy, school boards must demonstrate that they have plans to address their renewal requirements including improving accessibility and optimizing ventilation at existing schools.

# Ministry Policy, Guidelines, Legislation, and Regulations

## School Condition Assessment Program

### Overview

In 2023, the ministry announced the relaunch of the School Condition Assessment Program (SCAP). The assessments are being conducted by VFA Canada Corporation (VFA), and the ministry will continue to leverage the VFA Facility database.

While many aspects of the SCAP will remain the same, as under the previous program, the ministry has incorporated school board input into the new program to enhance overall program effectiveness and responsiveness. These enhancements will aid school boards in their abilities to manage their capital portfolio and monitor the efficacy of their investments.

The school facility assessments are non-invasive. Each assessment will be conducted by a team of two (2) engineers; one with expertise in building design and construction and the other with expertise in building systems (e.g., mechanical, and electrical).

### Facility Eligibility

All open and operating schools that offer K – 12 programming, continuing (i.e., adult) education facilities and outdoor education centres will be eligible for a facility condition assessment once every cycle (5 years). One (1) administrative building (including board offices, maintenance facilities, etc.) will be eligible for assessment per cycle. Short-term (less than nine years) third-party leases will not be eligible for assessment.

It should be noted that only facilities that the board anticipates will be opening and operating for the next five years will be assessed. Facilities that are not being used by the board for programming are not eligible. In the case that a school board requires an out-of-scope facility to be assessed, written approval must be obtained prior to commencing an assessment.

### Assessment Scope

Education facilities that are at least eight years old will receive a full facility condition assessment. Education facilities that are five to seven years old will receive a new facility condition assessment, where the number of items assessed is reduced. Facilities less than five years old will not be assessed.

The assessment team will look to, where possible, the renewal of existing components unless they are obsolete or have a significant negative impact on the cost, performance or energy use compared with the current standard.

To support long-term planning, assessors will identify action items over a ten-year window (this was previously five years). All renewal needs will be captured by building addition. School boards will be asked to review the facility data and building addition data to ensure that data is accurately captured in the system and assessment reports.

### Accessibility Review

The Accessibility Review is intended to capture capital costs associated with making facilities accessible (e.g., parking, barrier free paths of travel, washrooms). The review builds on the accessibility calculator from the previous assessment program. School boards will be asked to complete the survey prior to the assessment, which will be reviewed and updated as required by the assessment team.

### Energy Calculator

The purpose of the Energy Calculator is to support overall school board decision-making around undertaking improvements and retrofits that reduce energy use, costs, and greenhouse gas (GHG) emissions. The calculator captures associated renewal/upgrade costs and the potential impact a project could have on energy usage and GHG emissions.

School boards will be expected to input the required data into the calculator which will be validated (and modified, as needed) by assessors as they complete the condition assessment of the facility. School boards will be able to produce reports on energy efficiency to support capital planning.

### Ventilation Review

Ventilation is an important part of keeping students and staff safe. The ventilation review is intended to capture information on HVAC-related systems, their current capabilities, condition, and provide modelled costs to support upgrades. All system related details will be captured by building addition.

To support this review, school boards are expected to provide information on their ventilation-related components within their facilities prior to the assessments, which will be reviewed by the assessment team during the facility condition assessment. School boards will be able to generate reports with a view on improving ventilation and air quality in their schools.



### Live Facility Condition Index

As school boards report completed renewal projects that address assessed renewal needs and close these projects down, the Live Facility Condition Index (FCI) for that facility shall reflect the investments made. Historic tracking of FCI for individual facilities will be available to ensure comprehensive record-tracking.

### Investment Review

As facilities are assessed per year, up to 100 will be selected to confirm that major renewal work reported as being completed was in fact completed. This is intended to be reviewed through non-invasive assessment and is not a financial review.

### Scheduling

Staff from VFA will reach out to boards to develop and review assessment schedules, schedule pre-assessment meetings, facility assessments, and other meetings, as needed. In general, there should be a five-year gap between facility assessments.

### Training

VFA will also provide training for school board staff on topics such as facility assessments and how to use the VFA facility software. An overview guide on the assessment program is also under development and will be shared with school boards.

# School Board Leasing and Other Agreements

## Overview

Under the *Education Act* or its regulations, school boards are required to either notify the Minister of Education or to seek ministerial approval to:

- Lease, build on or alter/improve realty where school boards are lessees or tenants;
- Lease where school boards are lessors; and
- Enter into agreements other than leases for the provision of realty.

Realty can also be referred to as real property and includes facilities (buildings only) and sites (which may refer to land only or both land and the buildings located on the land).

School boards that plan to or are currently leasing realty, either as a tenant or owner, are encouraged to review the *Act* to determine where a notification from the school board or a ministerial approval may be required. The relevant sections of the *Act* include, but may not be limited to, Section 195, Section 183, and Section 171.

For more information regarding ministry requirements related to leased facilities or sites, please contact your Capital Analyst.

For information on the approval process for acquisitions through a lease arrangement as a lessee, please see the [Land Priorities](#) section of this manual.

For information and approval requirements for disposition through a lease arrangement as a lessor, please refer to a separate guideline referenced in the [Ontario Regulation 374/23 – Acquisition and Disposition of Real Property](#) section of the manual.

# Education Capital Information System

## Overview

The ministry has replaced its legacy School Facility Inventory System with a new, modern, and integrated Education Capital Information System (ECIS). The new solution will improve efficiency and effectiveness in the administration of Education and Child Care capital and operating funding, while automating overall business processes, meeting Ontario Public Service Application and Security standards as well as other government needs.

All boards are required to complete the Data Verification (DV) process. The goal of DV is to confirm school, room, and temporary asset (portable/portapak) level data to support determination of grants and school level funding for financial statements, estimates/revised estimates and lists of eligible schools.

Specific requirements, submission deadlines and the submission process will be communicated to school boards in the fall after the start of the school year.

For general inquiries regarding ECIS, contact [eiccu.edu@ontario.ca](mailto:eiccu.edu@ontario.ca).

# SECTION 3: CLOSURE, DISPOSITION AND ACQUISITION

## Ministry Policy, Guidelines, Legislation, and Regulations

### Pupil Accommodation Review (PAR) Guideline

#### Overview

**Note:** Since 2017, school boards have been asked to not begin new Pupil Accommodation Reviews.

The Pupil Accommodation Review Guideline (PARG) provides a framework of minimum standards for school boards to undertake Pupil Accommodation Reviews (PARs) to determine the future of a group of schools. School boards use the PARG to develop their own board approved local PAR policy, which governs their public consultation process.

# Ontario Regulation 374/23 – Acquisition and Disposition of Real Property

## Overview

The *Better Schools and Student Outcomes Act, 2023* received Royal Assent on June 8, 2023.

To further support the changes to maximize school board capital assets enabled by the legislation, additional provisions were proclaimed, and a new regulation [Ontario Regulation 374/23: Acquisition and Disposition of Real Property](#) (O. Reg. 374/23) came into effect on December 31, 2023.

The new regulation addresses the changing needs of the province so that students can go to school as close to home as possible by modernizing, streamlining, and standardizing processes related to:

- Building schools on shared use sites where a school is part of a larger building with multiple users, such as a school within a mixed-use condominium project; and
- Identifying and disposing of surplus school board property at Fair Market Value.

School boards will continue to dispose of property at Fair Market Value and use the proceeds of disposition to reinvest back in school facilities per [O. Reg. 193/10](#).

A separate guideline will be released in Spring 2024 to support implementation of the new regulation.

# Demolition of School Board Building

## Overview

Under Section 196 of the *Education Act* or its regulations, school boards require the approval of the Minister to demolish a building or a portion of a building of the board in addition to any other applicable jurisdictional and legislation requirements.

## Eligibility Criteria

Where a demolition is required to support an approved construction project, school boards may request funding for cost associated with the demolition. Funding may be approved upon submission of a detailed estimate of the demolition costs. School boards are required to seek funding approval for these costs prior to incurring any expense. Costs incurred prior to receiving ministry approval may remain the responsibility of the school board. Facility information is to be updated in the Education Capital Information System upon completion of the demolition or property sale.

With regards to demolition of a building related to the sale of a site, the funding of the demolition is to come from the proceeds of the property sale.

For more information regarding demolition requirements, please contact your Capital Analyst.

# SECTION 4: DEBT SERVICE AND FINANCING

## Debt Service Costs

### Overview

The ministry is adjusting the rate recognized for funding purposes from the Canadian Dollar Offered Rate (CDOR) acceptance published rates to the Canadian Overnight Repo Rate Average (CORRA). This is in response to commercial banks transitioning from the use of interbank offered rates (IBOR), such as CDORs, to the use of CORRAs as IBORs are no longer considered to be reliable interest rate benchmarks.

School boards will receive funding for their short-term interest costs incurred on projects that are underway in the following cases:

- where a school board short-term finances by borrowing from its internal reserves, the ministry recognizes these costs at an annual rate of 1 per cent; and
- where a school board short-term finances by external borrowing, the ministry recognizes the short-term interest costs for the average daily rate for the period of borrowing plus 75 basis points.

More information, including a tool to calculate CORRA compounded between any two dates can be found at: <https://www.bankofcanada.ca/rates/interest-rates/corra/>.

### Pre-1998 Capital Expenditures

Consistent with the recognition approach of capital debt for the New Pupil Places (NPP) and Good Places to Learn (GPL) programs, there was a one-time grant recognition of all the existing approved pre1998 permanently financed capital debt as of August 31, 2010. This grant is being cash flowed to school boards over the remaining term of their existing capital debt instruments.

The existing funding and cash flow mechanism for non-permanently financed debt that was refinanced through the 55 School Board Trust vehicle remain unchanged.

### Financial Reporting

In 2024-25, debt service costs on Ontario Financing Authority loans associated with the concluded NPP and GPL programs and short-term interest on capital projects are moved out of the Core Education Funding to a new transfer payment line.

School boards are required to report expenditures when incurred against the project allocation through Education Financial Information System submissions for the Estimates, Revised Estimates, March Report and Financial Statements.



# SECTION 5: COMMUNICATIONS PROTOCOL: PUBLIC COMMUNICATIONS, EVENTS, AND SIGNAGE

## Ontario Builds Signage

### Overview

Ontario Builds signage is required for all infrastructure projects, including constructing, modernizing, expanding, renovating, replacing and rehabilitating infrastructure. This supports increased transparency in public communications of the government's investments to build modern schools faster to support the needs of growing communities and ensure value for taxpayer dollars.

Signage is required for Capital Priorities (CP) and school-based child care projects approved since 2019-20, as well as renewal projects funded with School Renewal Allocation and School Condition Improvement funding supported by provincial investments that exceed \$250,000 or have a project duration of 90 days or more (may include one or more projects at a site occurring within a school year).

### **Capital Priorities and Child Care Projects**

#### Timelines for Signage Placement:

To ensure timely placement of signage school boards are to adhere to the following timelines for placement of signage:

- Child Care Capital or CP Projects with Acquired Sites - Signage is required to be installed within 60 days of receiving ministry project approval notification and release of any communication embargo.
- Child Care Capital or CP Projects where sites are not currently owned by school boards - Signage is required to be installed within 60 days from the date of site acquisition.

Signage Process to Follow for Capital Priorities projects:

<p><b>Signage Instructions</b></p>	<p>To create a sign, boards can access the Ontario Builds templates, artwork and visual identity guide at <a href="http://www.ontario.ca/page/ontario-builds-templates">www.ontario.ca/page/ontario-builds-templates</a>.</p> <p>Below is an example that includes reference of provincial investment that is to be included.</p> <p>Project descriptions should align with the one of the following examples on the signs:</p> <ul style="list-style-type: none"> <li>• New School: “New Elementary School”; “New Secondary School”</li> <li>• New School with Child Care: “New Elementary School with Child Care Centre”</li> <li>• School Addition: “New School Addition”</li> <li>• School Addition with Child Care: “New School Addition with Child Care Centre”</li> <li>• Only Child Care Addition: “New Child Care Centre”</li> </ul> <p>For Designated French Areas, please ensure to post signage in both English and French, based on the visual identity guide.</p> <p>Signs should be 26x13, but there is some flexibility to use smaller signs where this is not feasible on a school site. Alternative signage sizes are 16x8 and 8x4. These are the only three options for signage size.</p>
<p><b>Obtain Approval</b></p>	<p>Before producing a physical sign, email a digital proof to <a href="mailto:MinistryofEducation@ontario.ca">MinistryofEducation@ontario.ca</a> to obtain approval of the design. Please cite the project identification number included in the original ministry approval funding letter.</p> <p>For projects that are co-funded, such as by a municipality or the federal government, use the Ontario Builds visual identity guide for partnership signage. Please arrange signage approval from all partners.</p>
<p><b>Installation &amp;</b></p>	<p>Once school boards receive design proof approval notification from the ministry, they can arrange production and installation of signs.</p>

<p><b>Maintenance</b></p>	<p>Boards are responsible for all related costs. Install signs in a prominent location that does not obstruct traffic or cause safety concerns, particularly if the sign is located near roads.</p> <p>To avoid potential safety issues, school boards should consult appropriate provincial and municipal authorities.</p> <p>Signs should be posted at all stages of a project and maintained in a good state of repair. This includes before construction work starts and throughout construction.</p>
<p><b>Confirm Installation</b></p>	<p>Once signage is in place, it is required that school boards email a photograph of the installed sign to the ministry at <a href="mailto:MinistryofEducation@ontario.ca">MinistryofEducation@ontario.ca</a>. Please remember to cite the project identification number included in the ministry funding approval letter.</p>
<p><b>Signage Removal</b></p>	<p>Signs can be removed within 90 days of project completion.</p>

**New elementary school with child care centre**

Part of our \$16 billion plan to build and renew schools


Building Ontario

Ontario 

**New elementary school with child care centre**  
Part of our \$16 billion plan to build and renew schools

**Nouvelle école élémentaire avec centre de garde d'enfants**  
Ce projet s'inscrit dans notre plan de 16 milliards de dollars pour construire et rénover les écoles

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Ontario 

## Renewal Projects

School boards will be required to display Ontario Builds Signage at schools benefitting from school renewal projects where the total renewal investment (individual or combination of projects supported with School Condition Improvement Funding and/or School Renewal Allocation) is greater than or equal to \$250,000 or construction duration that lasts more than 90 days.

Renewal projects associated with technical improvements (e.g., updates to an information/security/video system, etc.) **do not require signage** and can be excluded when assessing overall renewal investment at a school site.

To leverage existing processes and mitigate additional administrative tasks, the ministry will require school boards to report their eligible renewal projects through the VFA Facility system. Boards will need to maintain their project data over the regular financial reporting cycles to support the ministry's reporting requirements to Ministry of Infrastructure (MOI).

### Timelines for Signage Placement:

To ensure timely placement of signage school boards are to adhere to the following timelines for placement of signage:

School renewal projects: Signage is required to be installed **within 60 days** of approval, but no later than the project start date. For projects already approved, signage is required within 60 days of the project start date.

Signage Process to Follow:

<p><b>Signage Instructions</b></p>	<p>To create a sign, boards can access the Ontario Builds templates, artwork and visual identity guide at <a href="http://www.ontario.ca/page/ontario-builds-templates">www.ontario.ca/page/ontario-builds-templates</a>.</p> <p>To recognize the volume of school renewal activity and minimize administrative burdens, the ministry has provided pre-approved generic signage design below that is to be used:</p> <ul style="list-style-type: none"> <li>• School Renewal Project: “School Facility Renewal Project”</li> </ul> <p>For Designated French Areas, please ensure to post signage in both English and French based on the visual identity guide.</p> <p>Signs should be 26x13, but there is some flexibility to use smaller signs where this is not feasible on a school site. Alternative signage sizes are 16x8 and 8x4. These are the only three options for signage size.</p>
<p><b>Obtain Approval</b></p>	<p>Signage design is to align with the renewal signage design below. Approval is not required from the ministry for school renewal projects prior to installing on the school site.</p> <p>For projects that are co-funded, such as by a municipality or the federal government, use the Ontario Builds visual identity guide for partnership signage. Please arrange signage approval from all partners.</p>
<p><b>Installation &amp; Maintenance</b></p>	<p>School boards are responsible for arranging production and installation of signs. Boards are responsible for all related costs. Install signs in a prominent location that does not obstruct traffic or cause safety concerns, particularly if the sign is located near roads.</p> <p>To avoid potential safety issues, school boards should consult appropriate provincial and municipal authorities.</p> <p>Signs should be posted at all stages of a project and maintained in a good state of repair. This includes before construction work starts and throughout construction.</p>
<p><b>Confirm Installation</b></p>	<p>Ministry staff expect school boards to start installing signs on renewal projects after boards identify eligible projects. Once signage is in place, it is required that school boards upload a photo</p>

	confirming installation as part of their school renewal project reporting on VFA.Facility.
<b>Reporting Requirement</b>	School boards are expected to complete reporting aligned with the ministry's financial reporting cycles.
<b>Signage Removal</b>	Signs may be removed within 90 days of project completion.

**School Facility  
Renewal Project**

Part of our \$16 billion plan to  
build and renew schools

Building Ontario

Ontario 

**School Facility  
Renewal Project**

Part of our \$16 billion plan to  
build and renew schools

**Réfection des installations  
scolaires**

Ce projet s'inscrit dans notre plan  
de 16 milliards de dollars  
pour construire et rénover les écoles

Building Ontario | Bâtir l'Ontario

Ontario 

## Contact

For questions or support on the communications protocol, please email the ministry at [MinistryofEducation@ontario.ca](mailto:MinistryofEducation@ontario.ca). **Note:** This communications protocol does not replace school boards' existing partnership with the ministry's regional offices. Regional offices should still be regarded as school boards' primary point of contact for events and should be given updates in accordance with existing processes.

## **Public Communications and Events**

### **Acknowledgement of Support**

School boards are required to acknowledge the support of the Government of Ontario in proactive public communications of any kind, written or oral, relating to the agreement or the project. This could include but is not limited to:

- Reports
- Announcements
- Speeches
- Advertisements, publicity
- Promotional materials including, brochures, audio-visual materials, web communications or any other public communications.

This is not required for:

- Minor interactions on social media, including social media such as Twitter
- Reactive communications, such as media calls.

All public events and announcements regarding capital investments in the publicly funded education system are considered joint communications opportunities for the provincial government, the school board, as well as Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs); and/or community partners.

### **Events and Announcements**

School boards are required to provide an opportunity for the Minister of Education or their representative to participate in public communications related to:

- New schools
- Additions or retrofits that include new student spaces, child care spaces, EarlyON Child and Family centres, or community hubs.



A communications embargo applies to media releases and media/public events for the following milestones:

- ministry capital project approvals
- site acquisition related to the capital project
- awarded construction contracts
- significant project scope changes (such as additional funding or capacity)
- ground breakings
- opening ceremonies.

School board meeting discussions, web postings, minor social media interactions, operational/internal communications or reactive responses to media calls related to these milestones are not included in this embargo.

To clarify, the issuance of tender documents or provision of a targeted notification to the sector of the availability of tender documents is a permitted activity during the embargo period; however, signage installation should not take place until the embargo is lifted.

To invite the minister to be quoted in your media release and/or participate in your event:

- Send a request at least 30 days in advance of the proposed communication or event to [minister.edu@ontario.ca](mailto:minister.edu@ontario.ca)
- Copy the ministry's regional manager in the Field Services Branch for your area.
- Inform the ministry via the email address above if the proposed date changes.

**Note:** The ministry will respond if the Minister or another government representative will be attending the event and/or providing a quote for media materials. Please do not move forward with your communication or event until you have received a response from the ministry.

The ministry may also choose to issue its own news release about various project milestones. If the ministry chooses to do so, school boards, Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs), and/or community partners will be notified.

## Key Contacts

If you have any questions or require additional information, please contact:

Contact	Subject Area
<p>Andrea Dutton, Director Capital Policy Branch (416) 500-8402 <a href="mailto:Andrea.Dutton@ontario.ca">Andrea.Dutton@ontario.ca</a></p>	<ul style="list-style-type: none"> <li>• Capital Planning</li> <li>• Capital Planning Capacity Funding</li> <li>• Community Planning &amp; Partnership Guideline</li> <li>• Schools in Joint-Use Facilities (Policy)**</li> <li>• School Condition Assessment Program</li> <li>• School Renewal Allocation</li> <li>• School Condition Improvement</li> <li>• Proceeds of Disposition (Policy)</li> <li>• School Board Leasing and Other Agreements</li> <li>• Pupil Accommodation Review Guideline</li> <li>• Disposition of Property</li> </ul>
<p>Paul Bloye, Director Capital Programs Branch (416) 325-8589 <a href="mailto:Paul.Bloye@ontario.ca">Paul.Bloye@ontario.ca</a></p>	<ul style="list-style-type: none"> <li>• Capital Priorities Program</li> <li>• Child Care Capital Funding</li> <li>• Land Priorities Funding</li> <li>• Education Development Charges</li> <li>• Temporary Accommodation Allocation</li> <li>• Acquisition of Property</li> <li>• Debit Service Costs**</li> </ul>
<p>Mehul Mehta, Director School Board Advanced Support Branch (647) 448-3862 <a href="mailto:Mehul.Mehta@ontario.ca">Mehul.Mehta@ontario.ca</a></p>	<ul style="list-style-type: none"> <li>• Education Capital Information System</li> </ul>

\*\* - Both Capital Policy and Capital Programs Contact

Contact	Subject Area
Patrizia Del Riccio, Director (A) Business Operations Strategic Support Branch (416) 885-2950 <a href="mailto:patrizia.delriccio@ontario.ca">patrizia.delriccio@ontario.ca</a>	<ul style="list-style-type: none"> <li>• Design Standardization</li> <li>• Communications Protocol (including signage requirements and communication embargos)</li> </ul>
School Board's Capital Analyst	<ul style="list-style-type: none"> <li>• <a href="#">Capital Analyst School Board Portfolio</a></li> </ul> *As of October 2023

# Glossary

<b>B</b>	
Benchmark	A standard with which to measure performance.
<b>C</b>	
Capital Planning Capacity (CPC)	A program that supports school boards in acquiring additional resources to undertake a range of capital planning-related activities.
Child Care Capital Funding	Funding provided that supports school-based child care capital projects which serve children aged 0 to 3.8 years, where there is a need for new child care construction or renovations to existing space.
Community Planning and Partnerships Guideline (CPPG)	To assist boards in establishing more facility partnerships, and to support effective planning with community partners regarding land-use and green space/park planning.
Core Education Funding (CEF)	Ongoing operating funding provided to school boards that recognizes the unique circumstances of students, schools, and school boards, resulting in each school board generating different funding amounts based on their particular factors.
Education Development Charges (EDCs)	A revenue source for eligible school boards that can be imposed on residential and non-residential development in defined areas to purchase land for new schools, to accommodate students coming from new housing development.

<b>E</b>	
Education Capital Information System (ECIS)	A database that tracks information about school board assets, programs and building occupancy. It is used for a variety of purposes within the ministry such as supporting decision and policy making.
<b>L</b>	
Land Priorities Grant	Funding provided to support the purchase of land and site preparation costs where the site is not eligible to be funded through Education Development Charges.
<b>P</b>	
Proceeds of Disposition (POD)	Revenue generated through the sale of school board properties.
Pupil Accommodation Review Guideline (PARG)	<p>A public consultation process regarding staff recommendations to trustees. Recommendations consider potential changes to family of schools and how to best support student achievement and make effective use of facilities and funding.</p> <p>The Guide provides a consultation framework for school boards to gather feedback from parents, guardians, and community members.</p>
<b>S</b>	
School Condition Assessment Program (SCAP)	An assessment program where non-invasive inspections of school facilities across the province are conducted.
School Consolidation Capital (SCC) Project	The investments that are intended to help school boards adjust their cost structure in response to reductions in Ministry funding that currently supports underutilized space and where needed, replace child care spaces that would be lost due to a school closure or address demand in a new school being built as part of a school consolidation project.

<b>S</b>	
School Condition Improvement (SCI)	A capital renewal program that allows school boards to revitalize and renew aged building components that have exceeded or will exceed their useful life cycle.
School Facilities Fund (SFF)	Addresses the costs of operating school facilities (heating, lighting, maintaining, and cleaning) as well as the costs of repairing and renovating schools. The SFF is comprised of the following allocations: School Operations Allocation, School Renewal Allocation, and Rural and Northern Education Allocation.
Schools in Joint-Use Facilities	Two or more school boards operating their respective (elementary/secondary) schools in a single facility and share space such as, classrooms, specialty classrooms, common areas or mechanical space.
School Renewal Allocation (SRA)	A multi-faceted program that allows school boards to revitalize and renew aged building systems and components.
School Renewal Funding	<p>Funding provided to school boards that supports the costs for maintaining and repairing school facilities.</p> <p>Includes School Renewal Allocation (SRA) and School Condition Improvement (SCI) funding.</p>
<b>T</b>	
Temporary Accommodation Allocation	Funding provided to school boards that may be used for portable moves, leases, and purchases, as well as for lease costs for permanent instructional space.

V	
VFA.facility	A capital planning and management system that helps school boards create budgets for facilities maintenance, renovation, and capital projects.

# SECTION 6: APPENDICES

## Appendix A: 2024-25 Capital Funding Allocations

Board ID	School Board Name	School Condition Improvement (\$)	School Renewal Allocation (\$)	Capital Planning Capacity (\$)	Temporary Accommodation Allocation (\$)
1	District School Board Ontario North East	13,822,303	3,234,106	150,111	71,747
2	Algoma District School Board	12,122,006	3,366,930	150,111	35,874
3	Rainbow District School Board	12,063,313	3,427,505	150,111	143,495
4	Near North District School Board	3,984,203	2,705,243	150,111	161,431
5.1	Keewatin-Patricia District School Board	7,923,899	1,945,215	111,123	143,495
5.2	Rainy River District School Board	2,059,062	1,074,487	83,185	-
6.1	Lakehead District School Board	8,123,266	2,408,406	150,111	-
6.2	Superior-Greenstone District School Board	4,846,455	1,348,914	111,123	-
7	Bluewater District School Board	6,481,850	3,646,442	163,370	1,199,276
8	Avon Maitland District School Board	12,019,499	3,722,110	122,173	233,179
9	Greater Essex County District School Board	20,399,121	6,418,841	163,370	358,736



<b>Board ID</b>	<b>School Board Name</b>	<b>School Condition Improvement (\$)</b>	<b>School Renewal Allocation (\$)</b>	<b>Capital Planning Capacity (\$)</b>	<b>Temporary Accommodation Allocation (\$)</b>
10	Lambton Kent District School Board	18,046,638	4,650,622	163,370	185,108
11	Thames Valley District School Board	51,252,335	14,134,991	198,728	1,829,556
12	Toronto District School Board	248,404,644	47,303,025	361,309	448,421
13	Durham District School Board	17,879,474	11,844,088	55,525	2,582,902
14	Kawartha Pine Ridge District School Board	15,290,259	6,845,384	163,370	860,967
15	Trillium Lakelands District School Board	10,996,032	3,543,856	163,370	179,368
16	York Region District School Board	28,815,180	18,422,449	66,758	860,967
17	Simcoe County District School Board	12,119,483	9,169,658	55,525	1,840,112
18	Upper Grand District School Board	11,018,176	6,325,939	46,217	659,826
19	Peel District School Board	46,651,466	20,588,686	80,238	1,323,905
20	Halton District School Board	21,364,659	10,516,468	55,525	2,754,083
21	Hamilton-Wentworth District School Board	18,478,073	8,894,913	179,392	1,402,439
22	District School Board of Niagara	22,573,601	8,431,216	207,330	753,346
23	Grand Erie District School Board	17,331,068	6,122,828	163,370	843,031

Board ID	School Board Name	School Condition Improvement (\$)	School Renewal Allocation (\$)	Capital Planning Capacity (\$)	Temporary Accommodation Allocation (\$)
24	Waterloo Region District School Board	32,999,009	10,424,599	55,525	1,287,806
25	Ottawa-Carleton District School Board	47,699,095	15,439,448	235,269	717,473
26	Upper Canada District School Board	19,620,239	7,368,256	235,269	233,179
27	Limestone District School Board	16,676,028	4,666,463	135,432	430,484
28	Renfrew County District School Board	6,673,981	2,873,318	122,173	71,712
29	Hastings and Prince Edward District School Board	10,516,697	3,556,278	150,111	250,491
30.1	Northeastern Catholic District School Board	3,284,269	1,053,587	111,123	-
30.2	Nipissing-Parry Sound Catholic District School Board	1,701,313	908,731	83,185	-
31	Huron-Superior Catholic District School Board	2,461,390	1,371,319	111,123	17,937
32	Sudbury Catholic District School Board	5,380,325	1,448,349	32,095	17,937
33.1	Northwest Catholic District School Board	310,485	709,332	32,095	89,684
33.2	Kenora Catholic District School Board	1,580,703	558,044	83,185	-
34.1	Thunder Bay Catholic District School Board	4,824,407	1,525,318	83,185	89,684

Board ID	School Board Name	School Condition Improvement (\$)	School Renewal Allocation (\$)	Capital Planning Capacity (\$)	Temporary Accommodation Allocation (\$)
34.2	Superior North Catholic District School Board	1,839,673	726,995	32,095	-
35	Bruce-Grey Catholic District School Board	1,361,446	1,021,465	32,095	478,315
36	Huron Perth Catholic District School Board	2,642,821	884,326	32,095	47,040
37	Windsor-Essex Catholic District School Board	9,615,089	3,864,790	122,173	721,287
38	London District Catholic School Board	6,238,040	4,533,075	135,432	3,671,530
39	St. Clair Catholic District School Board	4,208,406	1,575,170	38,514	230,309
40	Toronto Catholic District School Board	49,270,116	16,514,971	310,483	2,477,784
41	Peterborough Victoria Northumberland and Clarington Catholic District School Board	5,486,101	2,300,556	38,514	89,684
42	York Catholic District School Board	12,467,923	6,639,406	207,330	71,747
43	Dufferin-Peel Catholic District School Board	23,228,517	9,684,736	207,330	450,920
44	Simcoe Muskoka Catholic District School Board	4,157,850	3,371,064	46,217	538,105
45	Durham Catholic District School Board	5,334,649	3,245,634	38,514	565,488

<b>Board ID</b>	<b>School Board Name</b>	<b>School Condition Improvement (\$)</b>	<b>School Renewal Allocation (\$)</b>	<b>Capital Planning Capacity (\$)</b>	<b>Temporary Accommodation Allocation (\$)</b>
46	Halton Catholic District School Board	5,842,198	4,855,816	46,217	1,327,773
47	Hamilton-Wentworth Catholic District School Board	7,583,981	4,817,123	46,217	376,673
48	Wellington Catholic District School Board	1,084,989	1,302,567	32,095	114,796
49	Waterloo Catholic District School Board	7,020,953	4,315,070	38,514	2,644,881
50	Niagara Catholic District School Board	12,938,835	3,930,925	46,217	516,700
51	Brant Haldimand Norfolk Catholic District School Board	2,529,450	1,999,281	122,173	53,810
52	Catholic District School Board of Eastern Ontario	4,928,978	2,195,285	122,173	89,684
53	Ottawa Catholic School Board	17,778,092	8,388,716	163,370	1,130,020
54	Renfrew County Catholic District School Board	4,769,160	1,137,791	111,123	82,236
55	Algonquin and Lakeshore Catholic District School Board	6,713,965	2,300,770	38,514	373,350
56	Conseil scolaire de district du Nord-Est de l'Ontario	945,873	843,843	32,095	188,625

<b>Board ID</b>	<b>School Board Name</b>	<b>School Condition Improvement (\$)</b>	<b>School Renewal Allocation (\$)</b>	<b>Capital Planning Capacity (\$)</b>	<b>Temporary Accommodation Allocation (\$)</b>
57	Conseil scolaire public du Grand Nord de l'Ontario	4,765,397	1,252,650	111,123	19,133
58	Conseil scolaire Viamonde	9,772,619	2,984,530	46,217	329,404
59	Conseil des écoles publiques de l'Est de l'Ontario	4,908,880	3,100,173	122,173	520,168
60.1	Conseil scolaire de district catholique des Grandes Rivières	14,011,912	3,297,851	178,050	-
60.2	Conseil scolaire de district catholique Franco-Nord	3,616,290	1,013,209	32,095	-
61	Conseil scolaire de district catholique du Nouvel-Ontario	6,174,352	1,928,938	150,111	-
62	Conseil scolaire de district catholique des Aurores boréales	518,801	686,632	32,095	-
63	Conseil scolaire catholique Providence	4,226,410	1,836,143	94,234	371,003

<b>Board ID</b>	<b>School Board Name</b>	<b>School Condition Improvement (\$)</b>	<b>School Renewal Allocation (\$)</b>	<b>Capital Planning Capacity (\$)</b>	<b>Temporary Accommodation Allocation (\$)</b>
64	Conseil scolaire catholique MonAvenir	8,906,065	2,822,169	46,217	262,517
65	Conseil scolaire de district catholique de l'Est ontarien	9,038,280	2,892,342	178,050	-
66	Conseil scolaire de district catholique du Centre-Est de l'Ontario	8,279,883	4,474,981	135,432	179,368

## Appendix B: Breakdown of Eligible Components under School Condition Improvement (SCI) and School Renewal Allocation (SRA)

Eligible Expenditures	SCI Restricted (70%)	SCI Unrestricted (30%)	SRA
<b>Capital – Renew / Replace Components</b>			
Substructure (e.g., foundations, basement walls)	Yes	Yes	Yes
Shell / Superstructure (e.g., roofs, exterior walls and windows)	Yes	Yes	Yes
Interiors (e.g., stairs, floor finishes, ceilings)	No	Yes	Yes
Services (e.g., plumbing, HVAC, fire protection and electrical)	Yes	Yes	Yes
Equipment & Furnishings (e.g., <u>fixed</u> items only)	No	Yes	Yes
Special Construction & Demolition (i.e., hazardous waste removal)	No	Yes	Yes
Building Sitework (e.g., parking lots, site lighting, pavements, site utilities)	No	Yes	Yes
<b>Capital – Other</b>			
Portables repair and retrofits	No	No	Yes (TA funds should be used first)

Eligible Expenditures	SCI	SCI	SRA
	Restricted (70%)	Unrestricted (30%)	
Additional portable purchase (i.e., adding to board inventory)	No	No	No
Program or accommodation related changes and retrofits (e.g., science labs converted into standard classroom)	No	No	Yes
New building enhancements: Non-renewal projects (e.g., accessibility, air conditioning, building automation systems, etc.)	No	No	Yes
Administrative facilities	No	No	No
Construction (e.g., changes to gross floor area or the replacement of existing building structures)	No	No	No
Service debt (SRA only for previously encumbered debt. No allowance for new debt)	No	No	No
Moveable furniture and equipment (e.g. vehicles, furniture, equipment, computer hardware and computer software)	No	No	No
Community partners	No (should operate on cost-recovery basis)		
Outdoor Education Centre	Requires minister's approval		
Leased Site	Requires minister's approval		



Eligible Expenditures	SCI Restricted (70%)	SCI Unrestricted (30%)	SRA
<b>Operating</b>			
Maintenance (e.g., costs incurred to service or maintain the tangible capital asset until the end of its estimated useful life)	No	No	Yes (with board-specific caps)

## Appendix C: School Condition Improvement (SCI) Expenditure Categories by Component

SCI Expenditure Categories by Component	Restricted Renewal 80%	Unrestricted Renewal 20%
A. Substructure (e.g. foundations, basement walls)	Yes	Yes
B. Shell/Superstructure (e.g. roofs, exterior walls and windows)	Yes	Yes
C. Interiors (e.g. stairs, floor finishes, ceilings)	No	Yes
D. Services (e.g. plumbing, HVAC, fire protection and electrical)	Yes	Yes
E. Equipment & Furnishings (fixed items only)	No	Yes
F. Special Construction & Demolition	No	Yes
G. Building Sitework (e.g. parking lots, site lighting, pavements)	No	Yes

## **Appendix D: Capital Accountability Measures**

**Note:** Projects that have not transitioned to a Project Commitment must continue to follow the previous Capital Accountability Measures.

### **Capital Accountability Measures**

Capital accountability measures apply to all new capital projects that school boards undertake related to new schools, additions and major school retrofits, including child care and EarlyON projects.

A copy of the Capital Approval Process chart can be obtained through the school board's ministry capital analyst.

### **Approval Point 1-Pre-Design**

#### Appointment of a Project Manager

School boards are required to appoint a Project Manager (either internal staff or an external resource) for each capital project. The Project Manager will oversee all aspects of the project including monitoring the budget and project timelines and ensuring processes are in place for issues such as change orders and other internal approvals.

The Project Manager will also serve as the point of contact between the school boards and the ministry for the duration of the project.

School boards are to provide the name of the Project Manager to the school board's ministry capital analyst.

#### Facility Space Template

School boards must complete the Facility Space Template as the first approval point for new schools and major additions or retrofits that cost more than 50 per cent of the value of the existing school or have a project cost over \$3 million. School boards must receive ministry's approval of the template prior to retaining the services of an architect.

Facility Space Templates were developed to capture instructional and operational elements and calculate the approximate square footage for new elementary and secondary schools. The templates were designed with school boards' assistance to demonstrate how school boards' needs can be accommodated within the ministry's space benchmarks and to assist school boards in evaluating potential square footage modifications, if needed.

If a school board chooses to amend the scope of a ministry approved project, the school board is required to inform the ministry prior to engaging the architect regarding the new proposed scope to confirm whether a revised Minister's approval is required. School boards may not proceed with project designs for scope amended projects without ministry approval.

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

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

A copy of the Facility Space Template can be obtained through the school board's ministry capital analyst.

## **Approval Point 2-Pre-Tender**

### Independent Cost Consultant

The ministry also requires that an Independent Cost Consultant be retained by the school board. The role of the Cost Consultant is to review the design, provide objective costing analysis and advice, and report to the school board on options to ensure that the proposed capital expenditure is within the approved budget, prior to tendering a project. The ministry will require a letter from a senior board official confirming that the project Class A or B estimate by the Cost Consultant is within the approved budget, as part of the school board's request for Approval to Proceed with the project.

For projects that are comprised of multiple components such as school, child care, and other renewal work, boards are required to obtain separate costing breakdown within the independent cost consultant report, as this breakdown of information is required when completing the Approval to Proceed request for the ministry.

School boards are encouraged to share all versions of the cost consultant report after their completion, even prior to requesting an Approval to Proceed.

## Approval to Proceed with Capital Projects

School boards are not permitted to tender capital projects without first receiving ministry approval to do so. To receive an approval, school boards must submit a completed Approval to Proceed form outlining their expected project costs and available funding for the project, along with the appropriate independent cost consultant report. This process was implemented to ensure that school boards have the financial resources to carry capital projects to completion.

There is one exception to this approval requirement. Stand-alone child care capital projects that cost less than \$250,000 do not require a ministry Approval to Proceed. However, a project cost estimate is recommended for these projects.

A copy of the Approval to Proceed form can be obtained through the school board's ministry capital analyst.

### **Approval Point 3-Post-Tender**

School boards must not award a tender for an amount in excess of its approved funding as indicated in this Approval to Proceed.

If the overall project cost, based on tendered results, is consistent with the approval from the ministry, the school board may proceed to award the tender.

In the instance, the overall project cost, based on tendered results, is higher than the ministry approval, school boards must identify strategies to reduce the project cost such that it does not exceed the ministry approved Approval to Proceed funding amount for the project prior to accepting the tender.

Where the project cost cannot be reduced to the approved value, school boards are required to seek a revised Approval to Proceed. School boards must identify possible funding sources to support the additional costs, or they may be directed to redesign the project.

The ministry strongly recommends that school boards include optional components to the tender proposal to provide for some pricing flexibility.

Throughout project development, if a school board anticipates that project costs will exceed their project's existing Approval to Proceed, they are to seek a revised Approval to Proceed, including the identification of additional funding sources to support the excess costs. Excess costs incurred prior to receiving ministry approval may remain the responsibility of the school board and may impact future Capital Priorities project approvals for school boards.