



2010: SB11

**MEMORANDUM TO:** School Business Officials

**FROM:** Grant Osborn  
Director (A)  
Capital Policy Branch

**DATE:** March 22, 2010

**SUBJECT:** Early Learning Program Capital Needs – Phase 2

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As a follow-up to **Memorandum 2010:EL3**, dated March 4, 2010, I am writing to provide school boards with further information regarding the Ministry's process to identify the capital needs of schools that boards have nominated as Early Learning Program (ELP) sites in Phase 2.

As well, I am writing to provide information on how ELP capital funding can be used by school boards and the accountability measures that boards are required to follow to access any capital funding that they may be allocated under this program.

### **Capital Needs Review Process**

Although the Ministry expects that most school boards have sufficient available and appropriate space to deliver the ELP in Phase 2, we recognize that some school boards will have capital-related challenges in accommodating their Phase 2 operating allocation. With this in mind, school boards have been asked to begin a comprehensive review of their potential Phase 2 sites.

As per **Memorandum 2010:EL3**, the primary consideration for site selection in Phase 2 is the geographic distribution of sites. Boards have been asked to consider the various needs of all the communities that they serve and select Phase 2 ELP schools in areas that may not have been allocated an ELP school in Phase 1.

In meeting the geographic distribution criteria, school boards are required to prioritize schools that have available and appropriate classroom space to accommodate the ELP. Where sufficient space to accommodate part or all of its Phase 2 ELP planning allocation is not available, boards are to prioritize schools that require retrofits over schools requiring additions. Schools that require additions should be considered as a last option for Phase 2 sites.

School boards are required to identify their Phase 2 capital needs within the site selection template that accompanied **Memorandum 2010:EL3**. The site selection template has been updated with a section to capture the capital needs of individual schools. In this section boards are to identify:

1. Whether or not the candidate school has a demonstrated and sustainable ELP-related capital need.
2. How many additional classrooms the board has estimated will be required at each school in order to deliver the ELP.
3. Whether the additional classrooms are planned to be newly built or created by retrofitting available existing space within the school.
4. If the board has identified any ELP-related capital need, a brief description of the scope of the project is required.

The Ministry has pre-populated the site selection template with facility and enrolment data extracted from the School Facilities Inventory System (SFIS), and it is assumed that this data accurately reflects the 'on-the-ground' characteristics of each school. Boards will be responsible to identify any data inconsistencies to the Ministry.

#### Evaluating Need

The Ministry will review each ELP-related capital need identified in the site selection template in the context of the following information for each school:

- The number of existing rooms in the school where the space type has identified as 'kindergarten' in SFIS.
- Rooms currently used to run a variation of the kindergarten program where the space type has not been identified as 'kindergarten' in SFIS.
- The existing (2009/10) kindergarten enrolment of each respective school, adjusted to reflect the full-day nature of the ELP.
- The existing Average Daily Enrolment (ADE) and 'on the ground' (OTG) capacity to identify any potential surplus classrooms that could provide opportunities for being retrofitted into ELP appropriate space.
- Available space in surrounding schools will be reviewed in cases where school with high ELP space needs is located within close proximity to schools with significant amounts of available space.

Upon submission of the site selection template, Ministry staff will consult with every board to gather any additional information and to discuss any issues regarding the identified schools or implementation rationale. Ministry capital analysts will also be available to meet with each board at their request to discuss any ELP-related capital needs in greater detail and to fully understand the board identified capital requirements.

Where capital needs have been identified, boards should be prepared provide further details on the scope of the project and the underlying rationale to their capital analyst.

Ministry staff will be evaluating ELP space needs based on a “snap shot” of a school’s ELP space needs based on its projected 2011-12 enrolment. This is similar to the approach that was used for evaluating Primary Class Size space needs.

### Timelines

As per **Memorandum 2010:EL3**, the Ministry has requested that school boards submit their site selection templates on or before April 16, 2010. However, we encourage school boards to submit their templates as soon as possible to ensure a thorough and timely review.

The Ministry plans to inform school boards of their Phase 2 site selection and capital approvals by May 21, 2010.

### Appropriate Space for ELP Classrooms

The Ministry expects that school boards will offer the ELP in existing rooms that are appropriate to accommodate the kindergarten-aged students. While there is no Ministry standard for kindergarten classrooms, we recognize that appropriate space takes into account features such as proximity to washrooms, sufficient area for learning centres, and access to outside play areas.

These features will be considered when reviewing the ELP space needs of a school as part of the capital review process.

When building or retrofitting new classroom space to accommodate the ELP, school boards will have the flexibility to decide what features they feel are appropriate to include in these classrooms, while managing their Early Learning projects within the approved capital funding envelope.

### **How ELP Capital Funding will be Calculated**

In cases where there is a demonstrated and sustainable need for an addition to meet a school’s ELP space requirements, boards will be allocated capital funding based on a loading factor of 26 pupil places per classroom addition required,

multiplied by the elementary construction cost and space benchmarks. This reflects that ELP classrooms are expected to be loaded at a board-wide average of 26 students, as noted in **Memorandum 2009:B12**, dated October 27, 2009.

In schools with sufficient surplus capacity to allow for retrofits to existing classrooms to create appropriate ELP classrooms, capital funding will be allocated at an amount equivalent to half the cost of constructing a new classroom (13 pupil places). This reflects that, on average, classroom retrofit costs are typically less than the cost of building a new classroom.

The Ministry recognizes that classroom additions and retrofits to existing space will be unique in nature and that the cost of these projects will vary between schools depending on the scope of the work. The intention of the funding approach is to provide boards with an ELP capital envelope, and for boards to manage the costs associated with their Early Learning projects within this allocation.

#### Eligible Projects

The ELP capital funds that a board is allocated can only be used to address ELP-related capital costs. These funds can be used to construct and retrofit classroom space to address a board's ELP accommodation pressures. In addition, these funds can be used by boards to lease permanent or non-permanent classroom space or purchase non-permanent space for the purposes of addressing ELP-related space needs.

Costs associated with moving existing portables to address Early Learning accommodation pressures are not an acceptable use of these funds in Phase 2, as portable moves are not an eligible capital expense.

It is expected that portables will only be used to accommodate students in higher grades who may be displaced from permanent classrooms in order to accommodate the ELP. These situations may reflect shorter-term ELP space needs, or the need for greater time to construct additional permanent space at a school. The Ministry does not support the use of portables to accommodate four and five-year old students.

School boards cannot use ELP capital funds to build or equip any space that will be dedicated for the sole use of child care or extended day programs. ELP capital funds can only be used to support the space needs of the regular day ELP.

#### **Accountability Measures for Early Learning Capital**

I would like to remind school boards that following **Memorandum SB32: 2009** dated August 14, 2009, school boards are required to follow a revised accountability process when they undertake any new capital projects. This process will include any ELP-related capital projects.

### Pre-Design Stage - Facility Space Template and the Project Manager

School boards are required to submit a facility space template for each new capital project, including additions or retrofits valued at or over 50 per cent of the replacement cost of the existing facility, before retaining an architect for the project. Given the scope and scale of the projects required under the ELP capital needs, it is anticipated that most ELP related capital projects will not be required to submit a facility space template. However, boards should still have a designated Project Manager for their ELP capital projects.

### Pre-Tender Stage – Cost Consultant Report and Transfer from Reserves

School boards will require a Transfer from Reserves approval prior to proceeding to tender **any** ELP-related addition or major retrofit. As part of this approval process boards are required to have their school design evaluated by an independent cost consultant 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 estimate by the Cost Consultant is within the approved budget, as part of the Transfer from Reserve request.

In recognition that ELP capital projects are time sensitive, the Ministry will make every effort to ensure that necessary capital approval are processed as quickly as possible. Cooperation from the board in keeping their capital analyst informed of the progress of projects and projected timelines will assist in expediting the process.

We thank you in advance for your cooperation in this process.

If you have any question please contact me at (416) 325-1705 or [grant.osborn@ontario.ca](mailto:grant.osborn@ontario.ca) or the Ministry's capital analyst for your board.

Sincerely,  


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Director (A)  
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