

**Early Learning and Child  
Development**

**Child Care Capacity Initiative  
Program for Centre-Based Child Care**

## Record of Updates

Version	Date	Updates
1.0	April 2013	Initial Launch
2.0	April 2017	Updated budget categories per the Canada-NL Bilateral Agreement
2.1	August 2022	Updated policies and budget categories per the Canada-Newfoundland and Labrador Canada-Wide Early Learning and Child Care Agreement

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## PROGRAM OVERVIEW

The Child care Capacity Initiative (CCCI) of the Department of Education (EDU) is a funding program designed to support incorporated, not-for-profit organizations or municipalities in establishing new or expanding existing regulated child care spaces throughout Newfoundland and Labrador, especially rural, linguistic, minority and Indigenous communities.

Selection of areas for development under the Child Care Capacity Initiative are based on an assessment of need, interest and the capacity of organizations to develop and sustain regulated child care services. Funding is available for not-for-profit community-based organizations, municipalities, cooperatives, and employer sponsored non-profit groups for the development of centres where child care need has been identified through an exploratory profile and/or needs assessment.

As a commitment of the *Early Learning and Child Care Bilateral Agreement* and the *Canada-Newfoundland and Labrador Canada-Wide Early Learning and Child Care Agreement – 2021 to 2026*, increasing access to quality affordable child care programs for young children and their families, this document outlines the most recent updates and enhancements to the Child Care Capacity Initiative.

CCCI funding is available to **assist** with the costs of the following:

- Completion of a required needs assessment to determine the community needs for child care;
- Renovations to modify and/or expand an existing facility to meet licensing requirements under the Child Care Act and Regulations to create or increase child care spaces; and/or
- Start-Up program materials, equipment, and furnishings to meet licensing requirements under the Child Care Act and Regulations.

Regional Child Care Capacity Consultants offer guidance to organizations by providing information on:

- The capacity initiative process;
- The planning and development of regulated child care services;
- The licensing process;
- Transitioning from developmental funding to Operating Grant Program funding.

## CHILD CARE CAPACITY INITIATIVE: ELIGIBLE APPLICANTS

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<b>Policy no.:</b>	ELCD-2022-CCCI-A1
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<b>Policy Cross References:</b>	Child Care Legislation Policies; Operating Grant Program
<b>Legislative References:</b>	Child Care Act, Regulations and Policies

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### POLICY AND PROCEDURES:

#### *Eligible Applicant Criteria*

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1. Eligible applicants include:
  - i. Registered not-for profit community-based organizations, municipalities, cooperatives and employer sponsored groups in good standing with Company and Deeds Online in the province of Newfoundland and Labrador; or
  - ii. Where a community member or membership identifies a need for child care in the community, but is not an incorporated not-for-profit organization, the group may:
    - a. Approach a not-for profit organization (e.g. Family Resource Centre, municipal town council, community/faith-based, and/or school-board for sponsorship; or
    - b. Form an incorporated community-based organization to work as a sponsoring agency.
2. Applicants must ensure that the person(s) signing the application form has delegated authority to do so and is in good standing with the Board of Directors. (Note: digital signatures are not accepted; the wet signature must match the signature on the delegated signing authority form).
3. Child Care Capacity Initiative funding is paid directly to the vendor. If an applicant is not set up as a vendor, a vendor maintenance and application form must be completed prior to submitting the application package for funding. The supplier maintenance form may be found following this link: [http://www.fin.gov.nl.ca/fin/Forms/supplier\\_setup\\_maintenance\\_Form.pdf](http://www.fin.gov.nl.ca/fin/Forms/supplier_setup_maintenance_Form.pdf).

## CHILD CARE CAPACITY INITIATIVE: TYPES OF APPLICATIONS

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### POLICY AND PROCEDURES:

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1. There are four types of applications for the Child Care Capacity Initiative:
  - i. Application for Exploratory Phase: Needs Assessment Funding;
  - ii. Application for Developmental Funding: Renovation;
  - iii. Application for Developmental Funding: Start-Up; and
  - iv. Application for an Amendment.
2. An applicant must indicate the type of application upon submission. Funding is available to assist the applicant with eligible costs associated with the development of new regulated child care spaces. It is expected that the applicant will have additional sources of revenue including financial and in-kind contributions from other partners.
3. Fair and reasonable purchase decisions should be based on cost effectiveness. Depending on the scope of the project including, but not limited to:
  - i. The size of the facility;
  - ii. The geographic location;
  - iii. The age group being served; and/or

- iv. Whether the project is new or an expansion of an existing program. (The budgetary costs/ categories are inclusive of shipping and HST)
  4. Wherever possible a minimum of three (3) quotes are required. Where an applicant cannot obtain three (3) quotes, a written rationale must be provided as to why quotes could not be obtained.
  5. Board development activities must be pre-approved and/or recommended by the Regional Manager of Child Care Services. Board development resources and activities that have not been pre-approved or recommended will not be funded through the Child Care Capacity Initiative.
  6. The number of weeks for each phase are intended to be general guidelines. The total number of weeks for funding in the personnel category of the needs assessment and/or renovation/start-up is a maximum of 20 weeks. General guidelines are as follows:
    - i. Exploratory Phase – Needs Assessment (if applicable): Developmental Worker for up to 35 hours per week for up to four (4) weeks;
    - ii. Developmental Phase – Renovation: Developmental Worker for up to 35 hours per week for up to ten (10) to twelve (12) weeks (Note: the weeks are not required to be consecutive);
    - iii. Developmental Phase – Start-Up: Administrator for up to 35 hours per week for up to four (4) to six (6) weeks.
- More information on the Exploratory Phase – Needs Assessment, Developmental Phase – Renovation/Start-up can be found in sections D1, D2 and D3 of this policy.
7. For receipt-based expenses the document must be legible, include, but limited to the following:
    - i. Only purchases related to the renovation or start-up costs of the child care centre; and
    - ii. The date of the purchase.

## CHILD CARE CAPACITY INITIATIVE: EXPLORATORY PHASE

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### POLICY AND PROCEDURES:

#### *Exploratory Phase*

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1. The Exploratory Phase involves a preliminary level of exploratory work where information is profiled to determine whether it is feasible to proceed to the developmental phases in creating or expanding child care spaces in an identified community.
2. The Regional Child Care Capacity Consultant collaborates with the sponsoring agency and collates data, using the ***Exploratory Profile Template form***, and submits to the provincial office for a decision on whether to proceed with funding approval. The profile should include:
  - i. A brief description of the community/area;
  - ii. Rationale for selection;
  - iii. Demographic data, employment rates, population trends or other information related to need and interest;
  - iv. Existing services;
  - v. Potential sites and infrastructures;
  - vi. Assets and challenges; and
  - vii. Recommendation.
3. The Regional Child Care Capacity Consultant determines whether the Applicant should proceed to apply for funding for either the completion of a Needs Assessment or Developmental Funding.



## CHILD CARE CAPACITY INITIATIVE: FUNDING: NEEDS ASSESSMENT

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<b>Policy no.:</b>	ELCD-2022-CCCI-D1
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### POLICY AND PROCEDURES:

#### ***Needs Assessment Funding (Phase 1 if applicable)***

1. An applicant may apply for funding to complete a Needs Assessment to determine whether regulated child care is needed in the community and/or surrounding area. A sample Child Care Community Needs Assessment Survey is included in Section M1 – Documentation.
2. This phase of the Child Care Capacity Initiative is only required where the applicant must determine:
  - i. Whether regulated child care is needed in the area;
  - ii. The type and/or level of care needed by age group;
  - iii. The number of spaces required to meet the needs of the community; and
  - iv. Whether there is existing spaces suitable to renovate to meet legislative requirements for regulated child care.
3. Where need has already been established, the applicant may proceed to the application for Developmental Funding.
4. Where a Needs Assessment is required the following steps should be included:
  - i. Establishing a planning committee;
  - ii. Defining the purposes of the Needs Assessment;
  - iii. Specifying the objectives;

- iv. Assessing resources and partnerships;
  - v. Identifying specific information;
  - vi. Determining the methods for collecting the information (e.g. survey, Town Hall, social media);
  - vii. Determining the estimated costs;
  - viii. Analyzing the data collected; and
  - ix. Reporting the results.
5. Where an individual, group and/or sponsoring agency access provincial funding to complete a Needs Assessment any documents, reports, interviews become the property of the government and not the individual, group, and/or sponsoring agency funded to complete the scope of work.

### ***Eligible Expenses***

1. The expenditures under this category refers to the costs associated with coordinating and conducting a community needs assessment to establish a not-for-profit community-based licensed child care spaces.
2. Eligible personnel expenses include:
  - i. **Developmental Worker/Administrator** - \$17/hour for up to 35 hours per week for a maximum of four (4) weeks;
  - ii. **Mandatory Employment Related Costs** – up to 14% of personnel costs;
  - iii. **Workers Compensation** - calculated as per [www.whscc.nf.ca](http://www.whscc.nf.ca); and
  - iv. **Benefits** – up to 8% of personnel costs
3. Eligible travel costs include mileage at the provincial rate to a maximum of \$150/month [http://www.exec.gov.nl.ca/exec/hrs/working\\_with\\_us/auto\\_reimbursement.html](http://www.exec.gov.nl.ca/exec/hrs/working_with_us/auto_reimbursement.html)
4. Eligible Administration (**receipt-based**) costs are up to a maximum of \$5,000 and include:
  - i. Computer/printer;
  - ii. Office supplies (e.g. paper, ink, pens);
  - iii. Materials required to conduct/distribute the community scan and child care needs survey including photocopying, envelopes, postage; and

- iv. Rent/utilities (e.g. work space, meeting space) Applicants must explore all existing facilities in the community where partnerships for rental space, utilities, and/or maintenance may be offered “in-kind donations” or at reasonable leasing or rental costs as determined by an analysis of rental or leasing rates for similar properties in the area – both commercial and residential.
5. Eligible **Board Development (receipt-based)** costs are up to a maximum of \$2,000 and include any resources/ activities that have prior approval of the Regional Manager.

## CHILD CARE CAPACITY INITIATIVE: DEVELOPMENTAL FUNDING: RENOVATION

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### POLICY AND PROCEDURES:

#### ***Developmental Funding: Renovation (Phase 2)***

1. An applicant may apply for developmental funding to renovate and/or expand an existing space for the purposes of creating child care spaces.
2. This phase of the Child Care Capacity Initiative includes, but is not limited to:
  - i. Obtaining quotes for professional building plans, contractors, etc.;
  - ii. Developing a work-plan for the project; and
  - iii. Obtaining permits and work orders.

#### ***Eligible Expenses***

1. The expenditures under this category refers to the developmental phase of the project, where renovations to a space may be required in order to adhere with government regulations, including the Child Care Act, Regulations, and policies, Digital Government and Service NL requirements, and other relevant government Departments and Agencies. Where indicated, the three independent quotes must meet Government criteria for tendering (e.g., no conflict of interest).
2. Eligible personnel expenses include:
  - i. **Developmental Worker/Administrator** - \$17/hour for up to 35 hours per week for a maximum of ten (10) to twelve (12) weeks to develop a funding proposal for the initial phases of operation and oversee necessary renovations;

- ii. **Mandatory Employment Related Costs** – up to 14% of personnel costs;
  - iii. **Workers Compensation** - calculated as per [www.whscc.nf.ca](http://www.whscc.nf.ca); and
  - iv. **Benefits** – up to 8% of personnel costs.
3. Eligible travel costs include mileage at the provincial rate to a maximum of \$150/month [http://www.exec.gov.nl.ca/exec/hrs/working\\_with\\_us/auto\\_reimbursement.html](http://www.exec.gov.nl.ca/exec/hrs/working_with_us/auto_reimbursement.html)
  4. Eligible Administration (**receipt-based**) costs are up to a maximum of \$2,500 and include:
    - i. Incorporation fees – up to \$500;
    - ii. Board of Director Insurance;
    - iii. Office supplies (e.g. paper, ink, pens); and
    - iv. Rent/utilities (e.g. work space, meeting space) Applicants must explore all existing facilities in the community where partnerships for rental space, utilities, and/or maintenance may be offered “in-kind donations” or at reasonable leasing or rental costs as determined by an analysis of rental or leasing rates for similar properties in the area – both commercial and residential.
  5. Eligible board development (**receipt-based**) costs up to a maximum of \$3,000 and include any resources/ activities that have prior approval of the Regional Manager.
  6. Eligible renovation costs up to **\$8000 per new space** created. Three (3) quotes are required and must include the allowable contingency amounts:
    - i. **Fire suppression systems** – This expense includes the cost of the fire alarm and fire suppression systems as required by Digital Government and Service NL. Three (3) quotes are required where possible. The maximum eligible amounts are based on the size of the facility, as follows:
      - a. **Up to 30 spaces – up to \$95,000;**
      - b. **31-60 spaces – up to \$120,000; and**
      - c. **61 or more spaces – up to \$170,000**
    - ii. **Professional fees** – This includes the costs associated to obtain permits, design plans, and professional inspections. Three (3) quotes are required where possible. The maximum eligible amounts are based on the size of the facility, as follows:
      - a. **Up to 30 spaces – up to \$45,000;**
      - b. **31-60 spaces – up to \$60,000;**
      - c. **61+ spaces – up to \$75,000;**
      - d. **Outdoor Play Renovation – up to \$5,000 (fencing, two (2) surface coverings, landscaping);**

- e. **Office and Staff Room Equipment – up to \$12,000;**
- f. **Kitchen and Staff accessible washroom – up to \$17,000; and**
- g. **On-site Laundry Facilities – up to \$5,000**

## CHILD CARE CAPACITY INITIATIVE: DEVELOPMENTAL FUNDING: START-UP

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<b>Policy no.:</b>	ELCD-2022-CCCI-D3
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### POLICY AND PROCEDURES:

#### ***Developmental Funding: Start-Up (Phase 3)***

1. The expenditures under this category refers to the purchase of materials, equipment, and furnishings as well as and completion of the licensing process.
2. An applicant may apply for start-up funding to renovate and/or expand an existing space for the purposes of creating child care spaces.
3. This phase of the Child Care Capacity Initiative includes, but is not limited to:
  - i. Developing a work-plan for the project;
  - ii. Ordering developmentally and culturally appropriate materials, equipment, furnishings;
  - iii. Arranging the child care environment;
  - iv. Preparing for Licensing (e.g. preparing the Program Proposal); and
  - v. Recruiting qualified staff.

#### ***Eligible Expenses***

1. Eligible personnel expenses include:
  - i. **Administrator** - \$17/hour for up to 35 hours per week for a maximum of four (4) to six (6) weeks to order materials, equipment and furnishings, complete and submit the Program Proposal for Licensing, recruit Early Childhood Educators and Centre staff;

- ii. **Mandatory Employment Related Costs** – up to 14% of personnel costs;
  - iii. **Workers Compensation** - calculated as per [www.whscc.nf.ca](http://www.whscc.nf.ca); and
  - iv. **Benefits** – up to 8% of personnel costs.
2. Eligible travel costs include mileage at the provincial rate to a maximum of \$150/month [http://www.exec.gov.nl.ca/exec/hrs/working\\_with\\_us/auto\\_reimbursement.html](http://www.exec.gov.nl.ca/exec/hrs/working_with_us/auto_reimbursement.html)
  3. Eligible board development (**receipt-based**) costs up to a maximum of \$5,000 and include any resources/ activities that have prior approval of the Regional Manager.
  4. Eligible homeroom equipment and materials (including shipping and HST) include:

Age Group	Amount/ Full Time Space	Amount/ Full Time Space	Total/space	Exceptions
	<b>Furniture and Equipment</b>	<b>Consumable Materials</b>		
Infant	\$2,000	\$500	\$2,500	
Toddler	\$1,500	\$450	\$1,950	
Preschool	\$1,500	\$450	\$1,950	
School Age	\$1,250/child **	\$300	\$1,550	**This amount may be prorated for school age program in schools or community spaces where the purchase of equipment may not be necessary

- i. **Outdoor Play Equipment** – up to \$9,000;
- ii. **Audit/Administration Fees/Book-keeping** – up to \$100 per space;
- iii. **Insurance** including comprehensive general liability insurance as well as directors' liability insurance – up to \$7,000;
- iv. **Promotion/Advertising** including promoting and advertising for the enrolment of children and the recruitment of staff – Organizations are advised to use the most cost effective methods such as social events and media, and internet advertising – Up to \$3,000;
- v. **Staff Development/ PD Training/ Recruitment/Retention Plans** – up to \$2,000;
- vi. **Independent Financial Audit** – up to \$7,000; and
- vii. **Other expenditures** (Requires written prior approval of the Provincial Director of ELCD) – up to \$5,000.



## CHILD CARE CAPACITY INITIATIVE: INELIGIBLE EXPENSES

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### POLICY AND PROCEDURES:

#### *Ineligible Expenses*

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1. Ineligible expenses include:
  - i. The purchase or payment for goods and services that are outside the scope of the project, have not been approved, and do not directly relate to the child care service;
  - ii. The purchase of land or purchase or construction of a building;
  - iii. Assets acquired or renovations completed prior to the approval of application for Child Care Capacity Funding;
  - iv. Existing spaces where the cost was already covered or considered including, but not limited to:
    - a. “In Kind” contributions;
    - b. Rent;
    - c. Leasing;
    - d. Utilities; and/or
    - e. Maintenance;
  - v. Employment related costs where developmental workers are employed on a contractual basis as the worker would be considered self-employed;
  - vi. Per space allocation for renovation costs for existing spaces (exception: if the existing child care is required to move to a new location for existing spaces may be considered); and

- vii. Professional Learning (PL) and development costs, during the developmental phase (PL must be pre- approved by the Capacity and/ or Child care Consultant).

## CHILD CARE CAPACITY INITIATIVE: APPLICATION PROCESS

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### POLICY AND PROCEDURES:

#### *Application Process*

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1. An applicant may initiate the Child Care Capacity Initiative (CCCI) process by:
  - i. Visiting the Departmental website at: <https://www.gov.nl.ca/education/childcare/>; and/or
  - ii. Contacting a regional Early Learning and Child Development (ELCD) office by phone to request a meeting with the Regional Child Care Capacity Consultant and/or to request information be sent to them in the mail or by email. Regional Child Care contact information can be found at:  
<https://www.gov.nl.ca/education/department/contact/section>
2. An applicant must submit the Child Care Capacity Application form and all supporting documentation to the regional ELCD office for assessment. The application may be submitted:
  - i. Electronically (preferred, however, the form must be printed and signed before submitting);
  - ii. By mail; or
  - iii. In person.

<b>Email/Fax (preferred)</b>	<b>Mail</b>	<b>Courier</b>
<p><a href="mailto:childcareenquiries-m@gov.nl.ca">Child Care Enquiries - Metro &lt;childcareenquiries-m@gov.nl.ca&gt;en@gov.nl.ca</a></p> <p>or</p> <p><b>(709)729-4331/4280</b></p>	<p>Child Care Capacity Initiative Division of Early Learning and Child Development (ELCD) Department of Education P.O. Box 8700 St. John's, NL, A1B 4J6</p>	<p>Child Care Capacity Initiative Division of ELCD Department of Education 100 Prince Philip Drive 3<sup>rd</sup> Floor West Block Confederation Building</p>

3. An application for child care capacity funding will not be approved until a complete application and all supporting documentation is provided.
  - i. Where a fully completed Child Care Capacity Initiative application form, including all supporting documentation is not submitted within 90 days after the initial application was submitted, the Capacity file will be closed. A new fully completed application will be required to be submitted for any future consideration of Capacity grant funding.
  - ii. Incomplete applications will be returned.

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### **How to Apply**

1. Applications for Capacity funding generally falls in two phases:
  - i. **Exploratory Phase:**  
This is the preliminary phase whereby an applicant gauges the needs of the community and contacts the Regional Early Learning and Child Care Office to explore options to meet the early learning and child care needs of the community. This phase may be informal and involves primarily consultation between the applicant and the Capacity Consultant to determine whether to proceed to the Developmental phase of the capacity project.
  - ii. **Developmental Phase:**  
This is the preparatory work phase in developing a regulated child care service. This may be a two-step process depending on the needs of the community. Where an applicant does not have a site or type of service identified, a request for developmental funding to complete a comprehensive Needs Assessment of the community would be the first step. Where a site and service type have been established, the applicant may request developmental funding to develop a new service or to expand on an existing service.

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### **Site and Service Type Not Identified:**

1. Where a site and service type is not identified, the Applicant must submit a **Child Care Capacity Application Form** requesting funding to the Regional office to complete a needs assessment to determine the early learning and child care needs of the community. The application must include the following documentation:

- i. Letter of Incorporation – either the Applicant if incorporated or the Sponsoring Agency;
- ii. A copy of the Attestation of Directors Residence Form;
- iii. Proof of Directors Liability Insurance;
- iv. A detailed developmental budget that includes a list of expected costs by category (refer to eligible costs);
- v. Letter of commitment from sponsoring agency; and
- vi. Work plan.

[Back to Top](#) **Site and Service Type Identified:**

1. The Applicant submits a **Child Care Capacity Application Form** including a detailed developmental budget for the project. The application package must include the following documentation:
  - i. A completed application form;
  - ii. Detailed developmental budget that includes a list of expected costs by category and detailed revenues including the dollar value of “in kind” donations and other external sources of revenue;
  - iii. Completed Needs Assessment;
  - iv. Letter of commitment from sponsoring agency;
  - v. Sponsoring Agency Details (including sponsoring agency board membership);
  - vi. Work plan;
  - vii. Recruitment/Retention Plan;
  - viii. Materials and equipment list;
  - ix.
  - x. Operational budget projected for first year to demonstrate sustainability of the service after the Developmental Phase;
  - xi. Personnel details table;
  - xii. Sample Staff Schedule;
  - xiii. Parent Revenue Table;
  - xiv. Copy of three quotes from incorporated companies and are:
    - a. Registered with Workplace NL; and

- b. Carry Adequate insurance;
- xv. Copy of three quotes from a Professional Architect or Engineer for the development of the plans;
- xvi. Written documentation as to why the Applicant is selecting a specific company (any potential conflicts of interests must be disclosed); and
- xvii. Where building or renovating on a leased space an approval letter from the landlord lender for the work to be completed.

**Important note:** An application is not a guarantee of funding. Where the application is incomplete or the required documentation missing, the review process may be delayed or the application found ineligible.

## CHILD CARE CAPACITY INITIATIVE: ASSESSMENT PROCESS

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### POLICY AND PROCEDURES:

#### *Assessment*

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1. The regional Child Care Capacity Consultant will:
  - i. Review the complete application package and verify that applicant is:
    - a. An incorporated not-for profit community-based organization, municipality, cooperative or employer sponsored group in Newfoundland and Labrador;
    - b. In good standing with Company and Deeds Online, WorkplaceNL the Department of Finance and the Canada Revenue Agency;
    - c. Sponsored by a not-for profit organization (e.g. Family Resource Centre, municipal town council, community/faith-based, and/or school-board for sponsorship (if applicable)); or
    - d. Committed to form an incorporated community-based organization to work as a sponsoring agency (if applicable).
  - ii. Verify that all line items in the budget are accurate and justified expenses. – refer to eligible expenses; and
  - iii. Arrange a meeting within 10 business days that the application has been received to discuss the next steps and/or complete an exploratory profile (Appendix A).
2. The Capacity Consultant profiles information gathered using the **Exploratory Profile Template** including the following:
  - i. Brief description of the community/ area;

- ii. Rationale for selection;
  - iii. Demographic data, caseload trends or other information related to need and interest (e.g. live births in area);
  - iv. Existing services and potential for leadership/capacity (e.g. early learning and child care facilities in the area);
  - v. Possible/ potential sites (physical infrastructure);
  - vi. Assets and challenges; and
  - vii. Possible next steps if approved.
3. Once the Regional Child care Capacity Consultant has reviewed the complete Application package, the Consultant submits the exploratory profile and a recommendation, using the recommendation section of the **Child Care Capacity Application for Funding** form, to the Regional Manager to:
  - i. Complete a comprehensive Needs Assessment in the community; or
  - ii. Commence with the development or expansion of an early learning and child care service.
4. Incomplete or ineligible applications will be returned to the applicant with a written explanation as to why the application cannot be processed. Notifications are provided to applicants via e-mail unless otherwise requested by the applicant. Where additional information is not provided within 90 days, the file will be closed. Any subsequent requests for operating grant funding will require a new fully completed application.



## CHILD CARE CAPACITY INITIATIVE: APPROVAL PROCESS

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<b>Policy no.:</b>	ELCD-2022-CCCI-H1
<b>Effective Date:</b>	2022-01-01
<b>Date Revised:</b>	2022-08-10
<b>Policy Cross References:</b>	Child Care Legislation Policies; Operating Grant Program
<b>Legislative References:</b>	Child Care Act, Regulations and Policies

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### POLICY AND PROCEDURES:

#### *Decision*

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1. Where the Regional Manager is satisfied that the contingent conditions of funding are met the Regional Manager will:
  - i. Make recommendations for approval to the Provincial Director for review and decision; or
  - ii. Inform the applicant in writing of the reason they are ineligible for Capacity funding.
2. The Provincial Director will:
  - i. Approve or deny applications requesting funding up to and including \$150,000 and notify the applicant in writing of their decision; or
  - ii. Recommend approval to the Deputy Minister for amounts above \$150,000
3. The Deputy Minister will approve or deny applications requesting funding for amounts above \$150,000.
4. The applicant will be notified in writing once a decision has been confirmed.

## CHILD CARE CAPACITY INITIATIVE: NOTIFICATION TO APPLICANT

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<b>Policy no.:</b>	ELCD-2022-CCCI-I1
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### **POLICY AND PROCEDURES:**

#### ***Notification to Applicant***

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1. The applicant will be notified in writing via email, unless otherwise requested of the decision on whether funding was approved or declined to proceed with the expansion or creation of child care spaces.
2. Where funding is approved a Contribution Agreement outlining the expectations, responsibilities and funding agreement is developed and provided to the Applicant.
3. Contribution Agreements are effective for one calendar year; an applicant may apply for an extension to the Contribution Agreement where the scope of work was not completed within the covering period of the Agreement.
4. Where the child care service is satisfied with the Contribution Agreement, they must sign and make copy. The applicant will keep one copy of the Contribution Agreement and return the other by mail or by hand to the Provincial Office of EECD. A copy of the signed Agreement will be sent to the Regional Office. Payments will not be issued until all documents are received.
5. Where the application for funding is not approved, a Letter of Decline will be issued within 15 business days of the completed assessment.

## CHILD CARE CAPACITY INITIATIVE: AMENDMENT APPLICATION

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<b>Policy no.:</b>	ELCD-2022-CCCI-J1
<b>Effective Date:</b>	2022-01-01
<b>Date Revised:</b>	2022-08-10
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### POLICY AND PROCEDURES:

#### *Amendment Application*

1. No material change may be made to the scope of work without the prior written consent of the Department.
2. An applicant, who has been approved and is in receipt of CCCI funding, may apply for an amendment, where there is a change in circumstances from the current application. Changes in circumstances include:
  - i. An increase/decrease in capacity (e.g. number and type of space);
  - ii. Changes in building codes, permits, accessibility, etc.; and
  - iii. Increases in budget lines where funding is available.
3. Applicants must notify the Regional Capacity Consultant in writing, within 14 business days, of any material change and/or Licence or approval change that may impact funding. Examples include: changing the composition of age groupings and reducing capacity from a previous approval; deciding to not proceed with the Project.
4. The Capacity Consultant will draft a request for an amendment for review and decision by the Provincial office.
5. The Capacity Consultant will notify the applicant of the decision and any conditions made by the Provincial office.

## CHILD CARE CAPACITY INITIATIVE: CONDITIONS OF FUNDING

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<b>Policy no.:</b>	ELCD-2022-CCCI-K1
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### POLICY AND PROCEDURES:

#### *Conditions of Funding*

#### *Contingent Funding*

1. On an individual project basis, funding is available to assist the sponsoring agency with any fair and reasonable planned costs associated with the development of new child care spaces. There is an expectation, that the child care service will have additional sources of revenue such as parent fees, and financial and “in-kind” contributions from other partners.
2. Prior to the disbursement of funds, the sponsoring agency must provide:
  - i. Confirmation of firm costs of all elements of the project;
  - ii. Written confirmation that any and all external sources of funding (“in-kind” contributions and revenue) have been approved;
  - iii. A current list of board or committee members comprised of parent representation and representation from key community partners with the capacity to provide an appropriate level of fiscal and administrative oversight;
  - iv. A copy of Certificate of Incorporation and/or confirmation that the sponsoring agency is incorporated and in good standing with the registry of companies;
  - v. Obtain and maintain all required permits, licenses, certifications required for the project;
  - vi. Written confirmation of the parent fee structure; and

- vii. Written confirmation of the staff wage structure.

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### ***Developmental Funding***

1. Approval of funding for the development or expansion of the child care service does not guarantee any future or ongoing funding.
2. Amounts cannot be re-allocated to a different category without the approval of the Provincial Director, Assistant Deputy Minister, Deputy Minister and/or Minister.
3. The Applicant is committed to participating in the Operating Grant Program and maintaining the space as a child care facility for the minimum return for service from the date that the development is complete as indicated below:
  - i. A minimum of two (2) years for Projects under one-hundred fifty thousand dollars(\$150,000);
  - ii. A minimum of five years for Projects under five hundred thousand dollars (\$500,000); and
  - iii. A minimum of ten (10) years for Project over five hundred thousand dollars (\$500,000)
4. A detailed scope of the project must be included when renovations are being tendered.
5. The plans must be approved by Digital Government and Service NL and the Regional Office of the Department of Education.
6. The Applicant will be required to submit quarterly cash flow and income statements.
7. The funds approved under the Capacity Initiative must be used for the purposes outlined and approved in the application and Schedule B of the Contribution Agreement.
8. Applicants must:
  - i. Adhere to generally accepted accounting principles, fulfill all financial reporting requirements, and adhere to all other conditions as described in the Contribution Agreement;
  - ii. Obtain and maintain all required permits, licenses, certification required for the project;
  - iii. Be in good standing with respect to Statutory liens with the Department of Finance, Canada Revenue Agency and WorkplaceNL; and
  - iv. Respect the confidentiality of the information obtained by individuals and to use such information solely for the purposes for which it is obtained.

9. The Community Scan and Needs Assessment may be funded to a maximum of four (4) weeks from the commencement to the completion of the Assessment.
10. Where funding has been provided, and an Applicant chooses to longer be considered a capacity project or the centre closes, the applicant/licensee shall, at the request of the Department, transfer to the Department, or another entity named by the Department, all assets related to the set-up, administration and operation of the project purchased with funding provided by the Department.

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### **Repayment**

1. The Service Provider will repay to the Department the amount of any payment to which it is not entitled under this Agreement. Upon the Department's demand for repayment of any amount to which the Service Provider is not entitled, the Service Provider will repay the amount demanded with it being agreed between the Parties that any such amount is considered a debt owing to the Department.
2. The amounts to which the Service Provider is not entitled include:
  - i. The amount of any payment made in error, including any errors made by the Department;
  - ii. The amount of any payment for costs that were not eligible for funding and/or reimbursement under this Agreement; and
  - iii. The amount of any payment made for costs in excess of the maximum budget categories.

## CHILD CARE CAPACITY INITIATIVE: PAYMENT PROCESS

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<b>Policy no.:</b>	ELCD-2022-CCCI-L1
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### POLICY AND PROCEDURES:

#### *Disbursement*

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1. Prior to any disbursement of funds, the Applicant must be set-up as a supplier for payment, using the Supplier Set Up and Maintenance Form, and be registered for HST.
2. Once an Applicant is approved for funding to complete the Community Scan and Needs Assessment, the Department will disburse a payment to the maximum of 90 per cent of the total departmental contribution.
3. Once the Needs assessment is complete, the Applicant will be required to submit receipts, a final report and any other relevant documentation to receive the final 10 per cent hold back payment.
4. Applicants approved for Capacity funding for projects \$25,000 and under may have funding disbursed in increments of 90 percent up front and a minimum 10 per cent hold back, pending a final report and final request for payment.
5. Applicants approved for funding in excess of \$25,000 will have funding disburse in accordance to Schedule "C" of Contribution Agreement, as follows:
  - i. First installment of fifty per cent (50%) of the total amount committed, upon receipt of signed Contribution Agreement;
  - ii. Second installment of forty per cent (40%) upon receipt of a detailed progress report and cash flow statement; and
  - iii. Third installment of ten per cent (10%) upon submission of all required documentation including the final financial report, invoices, and receipts.

**REFERENCE DOCUMENTS:**

- Child Care Capacity Application Form
- Sample Developmental budget
- Child Care Community Needs Assessment Survey
- Child Care Capacity Exploratory Profile
- Contribution Agreement