

A

*Request for Proposals  
For a Cost Shared Program  
to Fund Training to Support*

# Achieving Innovation and Manufacturing Excellence

In the Ontario Manufacturing Sector

*Proposal Due Date: September 30, 2009:*

THE YVES LANDRY FOUNDATION  
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# Achieving Innovation and Manufacturing Excellence

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In the Ontario Manufacturing Sector

## Features of the Program

- The Yves Landry Foundation is making available up to \$50,000 per project in the form of a grant to foster training that will lead to advancements in innovation within the manufacturing sector in Ontario. Specific funding will be provided for two major objectives:
  - **Objective 1** --Training that will support the adaptation of new technology, new processes or procedures or any change within the company to support innovation. If a manufacturing company is adopting an innovative new process or concept in any area of its business, funding can be provided to share in the cost of retraining all involved employees.
  - **Objective 2** --Training that will support and develop Highly Skilled Personnel in any area that leads to innovation. This can include the development of new engineering skills, training in the use of new software, hardware or other tools necessary to support innovation, retraining to embrace new technologies, new manufacturing methods, or any other business area that will make an Ontario Manufacturing Company more competitive in the Global marketplace. Ultimately it should lead to a situation where the applicant develops or enhances a culture that supports constant training and development to support ongoing innovation in all areas of the business.
- This funding is open to all Ontario Manufacturing companies in all segments that meet the following criteria:
  - Between 15 – 1500 Employees
  - In business in Ontario for at least 3 years or can demonstrate a solid financial footing
  - Manufacturing facility or facilities located in Ontario
  - Manufacture a specific product for sale in Ontario or elsewhere
- Examples of training to support innovation that can be specifically funded are provided on the Yves Landry Website ([www.yveslandryfoundation.com](http://www.yveslandryfoundation.com))

**The Yves Landry Foundation**  
**Request for Proposals to Support Training in Innovation**  
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## Background and Overview

### General Information

#### The Foundation

The Yves Landry Foundation was established by leaders in Canada's manufacturing and business sectors in 1998, to advance technological education and skills training to resolve the skilled labour and technical professional shortages facing Canadian industry. The Foundation is governed by a board of directors comprised of senior leaders from industry, education and the NGO sectors.

#### The Founder

The Foundation was born out of the vision, principles, energy and hopes of the late Yves Landry, Chairman, President and CEO of Chrysler Canada Ltd. Yves Landry's vision was:

*To forge an enlightened partnership between industry and education, train a world-class pool of skilled manufacturing workers, technicians, technologists and engineers, and secure technological advantage in a rapidly changing world.*

The Yves Landry Foundation provides the opportunity for industry, education and government to collectively be part of the solution and thereby provide opportunities for Canadians to build great careers in manufacturing and technology. The Foundation is and remains focused on facilitating collaboration among these stakeholders through partnership development, advocacy and investment in leading-edge programs.

#### The Vision

The Foundation's mandate is to ensure that:

- ✚ Canadian business and employees achieve and sustain top technical status in the global manufacturing arenas in which we compete;
- ✚ Choosing a technological career is viewed favourably by students, parents, educators and governments;
- ✚ Mainstream education provides relevant, up-to-date technical education, as well as education in emerging areas to the point where the manufacturing industry does not need to provide substantial remedial or supplemental training, or import skilled workers from abroad while Canadians are unemployed or under-employed;
- ✚ Barriers to life-long technological education are eliminated; Young people are encouraged to enter apprenticeships, technologist and engineering co-operative education programs and activities that foster better insight about technology and the inspiring opportunities available.

The Yves Landry Foundation is extending this vision through this initiative in Achieving Innovation and Manufacturing Excellence to assist Ontario Manufacturing companies in a very difficult period. Fundamentally its goal is to ensure that Ontario's manufacturing companies continue to remain focused on innovation as an essential cornerstone of business success. The Ministry of Economic Development and Trade recognized the tough competitive situation facing Ontario's manufactures and established this program through the Yves Landry Foundation.

With this RFP, YLF seeks to strengthen Ontario manufacturing capabilities by encouraging training to support innovation, in order to:

- contribute to the improved competitiveness and productivity of the Ontario economy by supporting new innovative products, processes and procedures;
- promote the development of an innovative culture in Ontario industry; and,
- promote the development of a highly skilled workforce in Ontario.

YLF will support up to 100% of the direct training costs and 50% of the indirect training costs to support improvements in innovation within the defined objectives, with the project participants contributing the balance as a demonstration of their investment towards this initiative.

For all projects, the expected deliverables will be a business case document, which clearly describes the intended training strategy in a simple and concise format. It must be clearly demonstrated in the application, that the training requested leads to improvements in innovation.

### Issues that Inhibit Innovation

1. It has been determined that several issues can inhibit the implementation of training within a manufacturing organization. These can include the fact that employees are required to complete their regular jobs and do not have time to undertake training. To this end this project supports coverage for the wages of an employee while they are on training. This should provide the company with some flexibility in supporting overtime payments such that the training can be scheduled outside of regular hours. During periods of business downtime it helps to offset labor costs to encourage training to make the company more competitive for the future.
2. A second factor that can inhibit training is the lack of awareness of training resources to specifically support the types of innovations that a company needs to undertake in order to grow and become more competitive. To this end the Yves Landry Foundation can provide assistance in identifying training resources that may be required to support innovation.

### Eligibility

1. To be eligible for consideration, proposals must meet the following mandatory criteria: Proposals must be for training to support innovation in any area that will enhance the

competitiveness of an Ontario based manufacturing company within the two objectives as outlined on Page 1. The company must have between 15 and 1500 employees. The manufacturing facility must be located within the province and the company must have been in business for at least 3 years or alternatively able to demonstrate a solid financial footing. All documentation will be subject to scrutiny to ensure validity.

2. Training can only be provided for company employees who are currently employed and will be returning to employment at the Ontario manufacturing location once the training has been completed.
3. This process recognizes a first step wherein a company has identified an innovation in product, process, business practice or some other area necessary to remain competitive or to establish a new skill set or capability that will allow them to grow and prosper in the business environment. Once this innovation has been identified, the Yves Landry Foundation can fund the training to support this innovation through this RFP process.
4. The proposal must describe the specific training that will be undertaken and how the training will make the manufacturer more competitive in its business area (reduce product cost, develop new markets, diversify product mix, establish innovative new features, reduce lead times, improve profitability, etc.) It should also show the training will help to advance the state-of-the-art in making the companies culture more innovative and development focused.
5. Proposals must be in the format as specified in this RFP including the required authorized signatures from the project sponsors. Proposals lacking such signatures will not be considered.

## **The Process**

The submission process involves two steps:

### **Pre-Application**

Submission of a Preliminary Application is mandatory for all proposals. The Preliminary Application will provide early feedback as to the strengths and weaknesses of the proposed project.

Preliminary Application submissions will be reviewed by YLF staff to ensure the project meets program guidelines. A concept document submission can be made at any time and feedback will be provided to the applicant within 1-2 working days of its submission. Based on this feedback the applicant can then decide whether to submit a full proposal or to formulate a more complete proposal. All members of the YLF staff and the YLF Expert Panel are bound by non-disclosure agreements.

## Full Proposal

Following the receipt of feedback on the Preliminary Application, participants may choose to submit a full proposal. Full proposals will be reviewed by the YLF staff. Recommendations will be forwarded to the YLF Advisory Committee for final approval.

Approval of a project will be completed within 8-10 working days of the Proposal Submission.

Full Proposals may be submitted at any time but proposal must be submitted by September 30, 2009 to be eligible for consideration.

## Appeals

The authority to recommend financial support of a proposed project rests solely with the YLF Expert Panel. To assist applicants whose projects are not selected for financial support, constructive feedback will be provided which may be used to assist with the future submission. No more than two (2) applicants/re-submissions can be accepted for the same project

## Program Requirements

### Funding Principles

#### Project Team

YLF funding comes from the Provincial Government through the Ministry of Economic Development and Trade and is, therefore, subject to rules regarding the residency of the organizations to which the funding is apportioned. YLF funding can only be applied to eligible expenditures incurred by Ontario participants.

#### Scope of Projects

The contribution to a project from YLF will not exceed 100% of specific direct training project costs, and up to 50% of the indirect costs up to a maximum total contribution of \$50,000 per company within the lifetime of the project (inclusive of all applicable taxes). All Projects must be completed by March 31, 2010.

Direct Training Costs – 100%

- Trainer fees
- Content and Curriculum costs

Indirect Training Costs – 50%

- Trainee – wages/salary & time in training must be demonstrated and documented
- Travel/accommodations/meals

- Facilities (room rental for example)
- Materials/consumables for the purposes of the training

### Intellectual Property

It is recognized that the training to be funded could lead to innovative new products or processes. The program recognizes the value to the participants of any background IP they might bring into the project. In general, a participant's background IP will remain vested with the manufacturing company/Applicant that developed or commissioned the development for the purposes of the initiative.

YLF's position is that in order to encourage the commercialization of innovative project results, project Applicants retain ownership of any new IP. Likewise, any content or curriculum developed by a third-party agent for an Applicant, remains the property of the Applicant, and cannot be copied and/or exploited for the purposes of generating revenue.

### Benefit to Ontario

A major objective of the YLF initiative is to advance the economic prosperity of Ontario. Accordingly, every effort must be made to have the results of the YLF funding exploited in Ontario, for the benefit of Ontario. Benefit to Ontario is defined as incremental Ontario economic activity and improved quality of life. Maximum benefits would be derived from the creation or retention of high-quality jobs in Ontario and this should be an important part of any YLF funded activity. Developing and nurturing a culture of learning and innovation activities should be paramount.

Benefits to Ontario could include, but not limited to, any of the following:

- accelerating commercialization;
- attracting and retaining world-class talent;
- attracting domestic and foreign investment in Ontario;
- developing new firms in Ontario;
- growing existing firms in Ontario; and
- creating leading edge jobs in Ontario.

### Project Reporting

At the conclusion of the project, participants are expected to produce a simple but comprehensive report that outlines the specific training that was undertaken, the number and types of people trained and the outcome of the training process with respect to tangible benefits that were achieved. YLF Project Managers will use the reports for project success and for formal reports to the YLF Review Committee and to MEDT as required by the funding process. The preparation of specific reports is the responsibility of the project Lead Participant and such

reports are due within 4 weeks of the completion of the project as outlined in the project proposal submission.

## **Preliminary Application Content**

The Preliminary Application must be submitted electronically in PDF format and must be no longer than the equivalent of one single-sided 8½" x 11" page.

YLF will maintain the confidentiality of all submissions, and distribution will be limited to YLF staff and the YLF Advisory Panel, all of whom will be subject to non-disclosure agreements.

### **Preliminary Application Form**

Complete the Application Form with the required tombstone data. This includes the date, the title of the proposed project, the participating organization's name, address, telephone number, fax number, and email address. The Lead Applicant is the person designated by the project team as the point of contact between YLF and the project, and will be the project manager. For the organization indicate the number of employees and annual revenues.

The Preliminary Application is intended to provide an outline of the proposed work. There must be a balance between brevity and providing sufficient detail to enable reviewers to evaluate the proposed project. Provide a brief outline of the training to be undertaken and its context with respect to the Company's business. Also describe the potential advance to the state-of-the-art in innovation that will be developed and how this relates to the training required to support it.

Provide a very brief financial estimate of the total cost of the training that is to be funded. Complete the table found in the application form to indicate the expected level of funding required for the project. If any expected contribution will be considered as an in-kind contribution, as defined in the Financial Guidelines, they must be described in this preliminary application.

## **Full Proposal Content**

A Full Proposal consists of the completed Application Form, the Full Proposal, and Schedules A & B. The Full Proposal shall be no more than 4 pages in length, excluding cover, signature, and appendices. Additional pages will not be considered.

### **Proposal Application Form**

**Cover Page Template** (1 page only) - This page contains the Title of the proposed project, the Name, Address, Telephone number, Fax number, Email address and affiliation of the Lead Applicant, the number of employees, annual revenues, the location of the manufacturing plant in Ontario and if the company is public or private, names of owners/operators, and the Date. The Lead Applicant is the person designated by the project team as the point of contact between YLF and the project, and will normally be the eventual manager of the project. There is also space for the inclusion of ten key words that describe the project and the training to be undertaken in the project. This page

represents a formal endorsement of the proposal by the Lead Participant and is signed by the company's authorized representative.

**Project Proposal** (4 pages maximum) - There are only four sections to a complete proposal that match the four equally-weighted criteria on which the proposal is evaluated, as described below.

### Proposed Training to be Under-taken

This section describes the training that is to be undertaken, how the training will be completed, who is involved in delivering the training, where the training will be done and who will be actually trained. A proposal should discuss the nature of how the company will benefit from this training, the relation to any such training undertaken in the past and present the expected outcome with respect to new skills gained, new capabilities that will result and how the culture and capability of the company will change as a result of the planned training. Detail on the specific product, process or capability that will result from the implementation of the training should be described in simple and concise form.

### Resulting Innovation

This section should describe the resulting innovation that the training is supporting. Simple and concise details covering the nature of the innovation that is expected to result (under Objective 1) or the innovation that is being implemented (under Objective 2) will be presented. Strategic explanations of the technology or innovation that is being considered do not need to be detailed but an overview of the expected innovation and how it will affect the company should be provided. The companies past experience in such innovations, if applicable, should be discussed.

### Team Capacity and Organizational Training Expertise

This section should briefly demonstrate that the team has the combination of staff, work environment, tools, expertise, experience, facilities and financial stability to successfully complete the proposed training and implement the expected resultant innovation.

This section identifies the training staff, who is being trained and the planned locale for the training and should be presented in simple and concise format.

### Work/Training Plan

This section should contain the "Statement of Work" (SOW) that details the process that will be followed. The details of the approach and methodology in order to achieve the project's training objectives, milestones, and deliverables should be described here.

### Schedule A - Financial Plan

The Financial Plan **must** contain all eligible costs relevant to the project, including all training related costs to be incurred during the course of the work. The financial plan should include details of equipment or other costs that need to be identified as per the Financial Guidelines.

The Financial Guidelines attached to this RFP details what are considered to be eligible costs. Only eligible costs will be considered. If you are unsure about the interpretation of these guidelines, please contact the YLF office. Details on items contained in the financial plan spreadsheet, as identified at the bottom of the spreadsheet, should be referenced in the Work/Training Plan.

## **Schedule B - Supplemental Financial Information**

The Company (division, unit, manufacturing facility etc.) submitting the proposal is required to submit (under separate cover) supporting financial material. This material is not used by the reviewers but is used by YLF staff to determine the risk associated with companies pursuing the project should it be recommended for funding.

This information must include the most recent audited financial statements and and/or related financial information that demonstrates the financial health of the company. YLF may waive this requirement at its discretion.

## Proposal Submission Guidelines

### Deadlines

Preliminary Applications can be submitted electronically in PDF format at any time prior to August 1<sup>st</sup>, 2009. YLF will provide feedback within 8 business days.

Full Proposals must be received no later than **September 30, 2009**.

### Format for Submission of Proposals

If submitting hard copy applications please submit all documentation, with signatures by mail or facsimile to:

Program Coordinator  
Achieving Innovation & Manufacturing Excellence Initiative  
Yves Landry Foundation  
10 Four Seasons Place, Suite 801  
Toronto, ON M9B 6H7  
Fax (416) 620-9730

In addition, the full proposal may be submitted electronically

A full application will include the following:

**File # 1:** This file should be compiled and contain the following sections:

- a. Application Form
- b. Project Proposal

**File # 2:** Schedule A - Financial Plan (using Excel template found imbedded in Appendix 2 or available on the YLF website).

**File # 3:** Schedule B - Supplemental Financial Information

## **Contract Award and Management**

### **Project Approval**

Within two weeks of approval the successful applicants will be contacted and will be provided with a generic *draft* legal agreement: the Lead Participant Agreement (LPA). Each proponent will have an opportunity to tailor the LPA to their company and the specific project, which will then be reviewed by YLF. Any required changes will be made through consultation with the proponent. YLF retains the right of final approval on any proposed change to the generic Lead Participant Agreement template.

### **Method of Payment**

Upon completion of the training, the company will provide a summary of the training, the final report as to what was accomplished and any supporting documentation that may be required to support the expenditures that were undertaken. Once this information has been received and reviewed, a cheque covering the approved project amount will be mailed to the company. This cheque will be sent out within 15 days of the receipt of the final report.

### **Holdback**

YLF retains the right to hold back up to 20% of the total project approved amount if there are any issues of discrepancy or coverage with respect to the final report and the approved financial plan. An audit, if necessary to resolve these discrepancies will be undertaken and a final decision as to the release of the remaining funds will be undertaken.

### **Questions**

Any questions or requests for clarification on this Request for Proposals should be directed to the YLF office and staff will be pleased to assist you:

## **Appendix 1 - Financial Guidelines**

### **General Conditions**

The definitions and descriptions of eligible costs are applicable to YLF in each Eligible Project. Costs shall be claimable to the extent that they are, in the opinion of YLF, reasonable and within the intent of this Agreement.

YLF is not obliged to accept any costs as eligible unless access is provided to the relevant records of the related entity.

#### **1. Claims Certification**

All claims submitted to YLF must contain authorized signatures from the submitting organization claiming costs. The signature must be original (not electronic) or a faxed copy of the original. YLF is not obliged to accept any costs as eligible unless the costs are certified.

##### **a. Sample testing of claims**

Any supporting documentation that is not required to be submitted with each claim is subject to random testing by YLF. On a sample basis, YLF will request supporting documentation for various costs. Non-compliance by the Participant could result in payments being held back by YLF.

##### **b. Financial Audits**

YLF reserves the right to audit the financial reports and supporting documentation of any Eligible Project. A financial audit may be conducted at any point throughout the life of the project and/or a complete project audit may be conducted upon project completion. If for any reason an audit is conducted, the 20% holdback will be retained until after the final audit report is received.

#### **2. Eligible Costs**

##### **a. Direct Labour**

- i. The costs paid to the trainer or facilitator is considered an eligible training cost and is covered 100%. Salaries, wages paid to employees attending the training are considered to be company costs and are reimbursed at a rate of 50%.
- ii. For individual participants participating in the training initiatives who are on salary or wages, employee time sheets or time logs for labour claimed must be maintained, and must be submitted to YLF on an occasional basis, as requested.
- iii. Labour costs may include salaries or trainer rates of university, community college faculty and or other third party resources that have been hired to deliver the training initiative on behalf of the company regardless of whether the work is performed at the company location, offsite or at a university or college premises. This would be considered as an eligible expense.

## **b. Benefits**

- Actual costs of employment benefits are in-eligible for direct financial support. Actual benefits costs may be considered as part of the applicant “in-kind” contribution. Participants must calculate their benefits percentage by totaling all benefits costs of the affected personnel.

## **c. Direct Materials**

- i. Direct materials may include any instructional fees, the purchase of curriculum, teaching aid equipment or demonstration components required to complete the training plan including such things as computers, projectors, and sample parts or components used in the training, and must be referred to in the Project Plan.
- ii. Indirect materials are eligible to the extent that they are specifically identified in the approved Project Plan.
- iii. Copies of the original invoice must be submitted with your claim for amounts over \$5,000. Invoices below \$5,000 will be requested for verification at YLF’s discretion.

## **d. Sub-Contractors & Consultants**

- i. Work performed by Canadian sub-contractors or consultants to advance an Eligible Project is eligible to the extent it is identified in the Project Plan of the approved Agreement. The fees charged must be reasonable and not exceed fair market value.
- ii. If the consultant fee exceeds \$5,000 per project, prior written approval by YLF must be obtained. Otherwise it shall be deemed non-eligible.
- iii. The use of foreign consultants or foreign sub-contractors to be employed during the Training Initiative must be identified separately in the Project Plan. YLF’s prior approval in writing is required.
- iv. Copies of the original invoice must be submitted with your claim for amounts over \$5,000. Invoices below \$5,000 will be requested for verification at YLF’s discretion. Invoices must display hours billed or a description of the service provided.

## **e. Training**

- i. This program is not intended to cover the costs for employees to attend already existing education courses to simply upgrade their skills. Nonetheless, if an existing course or program exists that is uniquely suited to the company’s intended and acquired innovation, the coverage of tuition costs to support training in this regard may be considered.
- ii. Tuition fees and related costs for training through attendance at courses, if it is justified in the training plan proposal, and are directly related to the Eligible Project, will be supported.

## **f. Travel**

- i. Travel costs essential to an Eligible Project are eligible, but shall not exceed Treasury Board approved rates. All updates will be posted on the Treasury Board of Canada website found at <http://www.tbs-sct.gc.ca>. Please contact the YLF office for further clarification.
- ii. Supporting documentation should including the names of the persons participating in the training and must correspond with the travel claim. Attendance records may be required as supporting documentation.
- iii. Copies of original receipts for any travel should be maintained for the duration of the project should they be requested as part of an audit.

- iv. Meals, accommodations and travel to support the training may be eligible in part, but must be clearly identified in the training proposal.

**g. Audit Costs**

Any Eligible Project audits requested by or conducted by YLF will be fully funded by YLF. Any financial audits conducted by the Participants will be included in the Participants overhead.

**h. In-Kind Expenditures**

In-kind contributions are:

- i. Donations or contributions made by parties other than the Applicant to support the training intervention.
- ii. Any in-direct costs associated with supporting the training or the participants involved in the training and not covered by the program Eligible costs, may be considered as in-kind contributions. (will be reviewed on a case by case basis)
- iii. YLF has the right to disallow in whole or in part any in-kind contribution.

Any cost claimed as an in-kind contribution must be eligible according to the other sections of the Financial Guidelines. A maximum of 50% of in-direct project costs can be claimed as In-Kind expenditures.

**i. General Non-Eligible Costs**

The following expenditures are not eligible under any circumstances:

- All remuneration or fees paid to members of the Board of Directors of the Applicant
- Opportunity costs
- Donations in the form of knowledge, goodwill and other such intangibles
- Federal and provincial income taxes, fines or costs related to the prosecution of claims against the government
- Land, buildings and facilities
- Utility fees
- Trademarks
- Personal computers – except as part of the training program equipment
- Companion contracts or value transferred from other projects within a participant's organization
- Uncompensated labour
- No alcoholic beverages will be compensated

## **Appendix 2 – Proposal Application Forms and Submission Data**

Appendix 2, which also contains the financial spreadsheet for cost submission, is provided as a separate document to make it easy to complete both the application form and the supporting spreadsheet. This Appendix is also available from the YLF website.