



Service Plan
2007/08-2009/10

Table of Contents

Message from the Chair	3
Organizational Overview	4
Mandate	4
Vision	4
RCITO Governance Structure & Staffing.....	5
Proposed RCITO Board Structure	5
Management and Employee Team.....	6
Sectors Served.....	7
Program Assignments and Linkages.....	7
Strategic Context and Labour Market Conditions	8
Industry Commitment and Support for the Apprenticeship Model..	8
Residential Construction Activity.....	8
Labour Force Planning.....	9
Competition for Skilled Workers.....	10
Professionalism and Costs	10
RCITO Organizational Capacity and Sustainability.....	11
Strategic Priorities and Goals.....	11
RCITO Goals 2007/08 -2009/10.....	12
Performance Measures and Targets.....	13
Summary Financial Outlook.....	15
Budget Summary.....	15
RCITO Operations Budget.....	16
New Program Development and Significant Program Upgrades ...	17



Message from the Chair

On behalf of the Board of Directors, management and staff of the Residential Construction Industry Training Organization (RCITO), and the industry stakeholders served by our ITO, I am pleased to submit this Service Plan for fiscal 2007/08-2009/10.

This plan outlines the RCITO strategic approach, plans, budgeting and performance measures that will direct our operations over the next three year period. As one of the first ITOs approved by the Industry Training Authority (ITA), RCITO has developed initial policies, programs and services with plans to successfully move through the ITO Developmental Stage and prepare for progression to a full service delivery ITO in 2009/10.

As RCITO enters fiscal 2007-08 we are confident that our success to date in recommending enhancements and compliance to existing programs and our ability to develop new programs will serve our thriving residential sector. In its third year of operations RCITO will concentrate on its role of industry leadership and governance, increase industry support for the ITO, enhance capacity to forecast training needs, and develop in house expertise to conduct training assessments and program development and compliance. RCITO will continue to work in collaboration with its stakeholders in the broader construction and ITO sector, developing innovative solutions to apprenticeship training, initiate efficiencies and collaboration between ITOs and enhance apprenticeship program compliance and certifications.

At the provincial level new home construction in British Columbia will trend slightly lower but remain high by historical standards. Continued high levels of consumer confidence, employment and income growth as well as positive net migration will impact the demand for new housing and continue the escalating renovation trend. Market intelligence suggests that residential construction employment will continue rising until 2011, when slight declines will begin at a rate of about 1% for 2011. Ipsos Reid survey conducted for RBC Financial group confirms that 70% of homeowners have experienced a renovation in the past two years, and we see evidence this trend will continue in the years ahead.

Green Building will be a major component of residential construction in the next decade. At the national and provincial level new initiatives in green building design will continue with significant emphasis on residential technology, and for ITOs a need to address “green building” competencies within our apprenticeship programs. Green building will impact all of our residential apprenticeship programs rapidly. Our stakeholders in residential heating see energy efficiencies and alternate energy sources as a major technological trend requiring different and complex competencies to serve their sector. The Log and Timber building industry will continue creating BC as a centre of excellence in log building. Our plans over the next three years consider the needs of the unique sectors we serve.

Respectfully submitted,

MJ Whitmarsh, Chair RCITO Board of Directors



Organizational Overview

RCITO, approved by the Industry Training Authority (ITA) under the Industry Training Authority Act (ITAA) in 2005, is the Industry Training Organization (ITO) for the residential construction industry in British Columbia. The ITO initiative is the key part of ITA's strategic shift to moving towards a truly industry-led training system. RCITO, was established by the Industry Training Authority (ITA) in conjunction with other residential construction representatives and is officially incorporated as a Society in BC.

An inherent fact in the rationale for RCITO, is that residential construction is a distinct economic and industry sector. While it shares some common issues and needs with the non-residential (ICI) construction sector, home building's unique qualities and requirements call for a new approach by the industry and by governments and training providers who support this industry.

Mandate

Identify, promote, develop, coordinate and manage the delivery of effective and efficient industry training and qualifications in the BC residential construction industry by responding to the skills and training needs of trainees, workers and employers.

RCITO defines industry training needs, sets industry training and occupational standards, measures industry training results, and directly interfaces with other construction organizations and public, private and K-12 training providers.

The RCITO strategic goals are:

- To identify BC residential construction industry training requirements and develop strategies, programs and qualifications to meet them.
- To ensure sufficient numbers of motivated people enter BC residential construction industry employment and career paths.
- To establish career and learning pathways which connect BC residential construction training programs, other programs, and industry training qualifications.
- To build and sustain an industry training culture within the BC residential construction industry as a whole and among individual employers and workers.
- To build a sustainable BC residential construction industry training organization.
- To attain a high level of trainee, worker and employer satisfaction with RCITO products, programs and services.

Vision

An integrated and sustainable British Columbia residential construction industry training system and outcomes which effectively match the supply of and demand for skilled workers and support home building and renovation growth.



RCITO Governance Structure & Staffing

The RCITO Board of Directors is a stakeholder board, comprised of members who represent industry leaders from the sectors aligned with the programs managed. The following individuals serve on the Residential Construction ITO Board of Directors:

Chair: MJ Whitemarsh Chief Executive Officer CHBA BC

Directors:

Dale Baron, Morning Star Homes , Coquitlam, BC

Bob Warren, Khita Log Homes, Rossland BC

Terry Regier, ECCO Heating Products, Burnaby, BC

Non Voting Ex Officio Members:

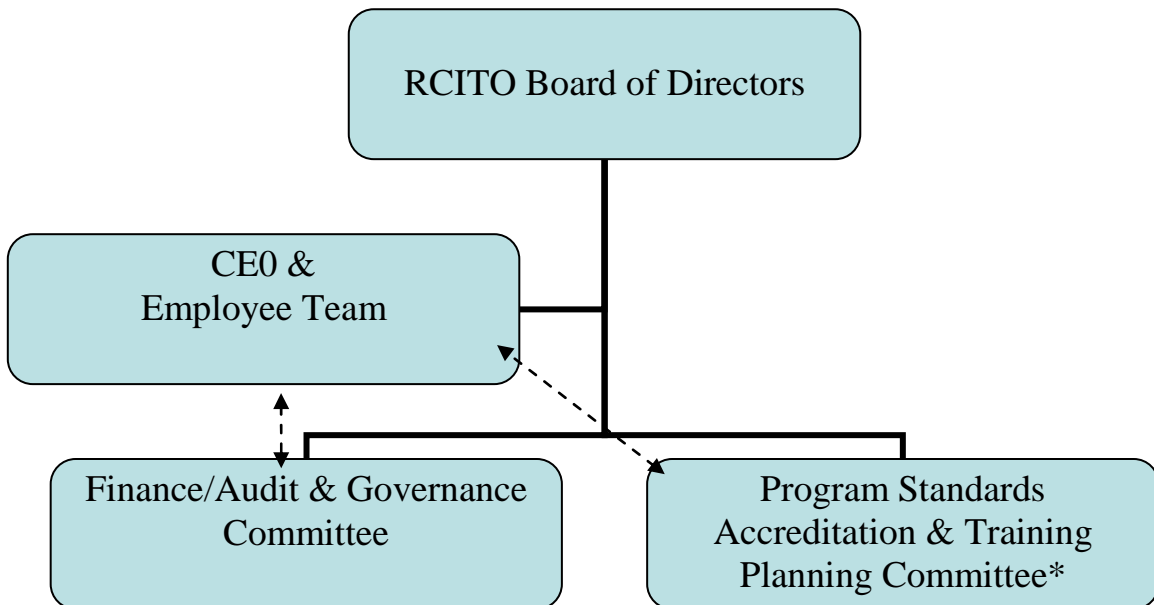
Mary Anne Davidson RCITO Chief Executive Officer Burnaby, BC

Ken Cameron Chief Executive Officer HPO, Vancouver BC

Geoff Stevens ITA Advisor/liaison, Richmond BC

Proposed RCITO Board Structure

Following the RCITO AGM, and the resignation of three directors, and since then a fourth director, the Board determined that the appropriate board structure would be a mix of industry leaders, stakeholders of programs assigned and professionals. In 2007-2008 RCITO will expand the Board to ensure its governance commitments can be enhanced. Board members will be asked to take a leadership role in one of the Board Sub Committees, as a chair or member.



***Program Standards Accreditation & Training Planning Committee:** Accreditation Committees are formed to provide industry direction on the apprenticeship program(s) serving their industries. The Chairs of the Accreditation Committees serve as members of the RCITO Board of Directors Program Standard & Training Planning Committee.



One Director from the RCITO Board will serve as a member of the Program Standards & Training Planning Committee, and will Chair the Committee. This Committee will be responsible for bringing new program recommendations and program compliance reviews forward to the RCITO Board of Directors for approval/sponsorship to the ITA.

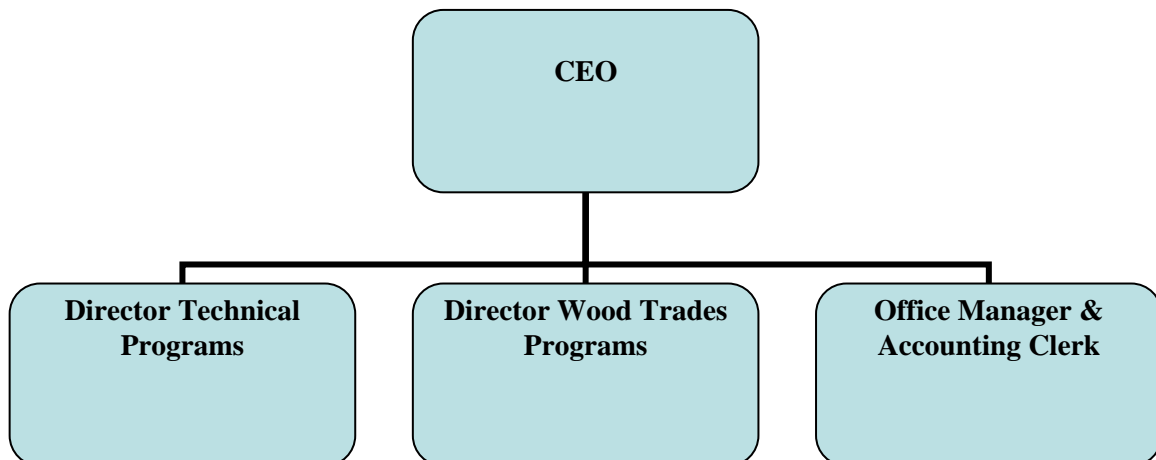
Management and Employee Team

For RCITO to meet its industry program management responsibilities it needs to build internal capacity. RCITO will leverage new program development funding and major program revisions funding to meet the salary and benefits budget necessary to build internal capacity. As we achieve more diverse and sustainable revenue sources we will ensure longterm capacity for funding these positions. In 2007-08 RCITO will begin the process of human resource capacity building by initially filling three part time positions, that will depending on mandate and funding capacity, develop into a core full time operations team:

- **Director Technical Program Management:** this individual will oversee the development of the approved Certified Heating Technician, HVAC, Hydronics and Goothermal Streams, and will be responsible for bringing the RBMW program into compliance.
- **Director Wood Trades Program Management:** this individual will be responsible for the ongoing management and supervision of the RCFT program, ensuring compliance of the sponsorship process. In partnership with the CEO the Director Wood Trades will support the implementation of the BET program and lead the compliance review of the Log Builder program.
- **Part time Office Manager & Accounting Clerk:** this individual will be responsible for administration and financial reporting, providing Board logistics, information distribution, word processing, and apprentice tracking.

Program Directors will be required to serve in an Exofficio capacity on the Program Accreditation Committees, sub committees appointed by the RCITO Board to ensure industry leadership on each apprenticeship program managed.

The following represents the RCITO Management Team Structure:



Sectors Served

RCITO's **industry scope** focuses on four unique industries within the residential construction sector: the log and timber building industry; the forced air/ hydronics/ geothermal residential heating industry; the social, senior and aboriginal housing sector and residential maintenance companies; and, new home builders and renovators encompassing employers within these industries, employees, trades contractors and employees, and manufacturers and suppliers. Its industry training activities will target workers in residential buildings covered by the RCITO's activities which include single detached homes, townhomes/duplexes/row housing, multi-unit low-rise homes, and mixed used projects.

Program Assignments and Linkages

The Residential Construction ITO is accountable to its customers (employers and apprentices) and the ITA for the standards and outcomes of the following ITA approved training programs:

PROGRAM	LEAD RESPONSIBILITY	LINKAGES
ACCREDITED		
Carpenter		✓
Plumber		✓
Electrician		✓
Bricklayer (mason)		✓
Wall & Ceiling Installer		✓
Concrete Finisher		✓
Drywall Finisher		✓
Cabinet Maker (joiner)		✓
Floor Covering Installer		✓
Glazier		✓
Roofer		✓
Sheet Metal Worker		✓
Tilesetter		✓
RECOGNIZED		
Residential Building Maintenance Worker	✓	
Residential Construction Framing Technician	✓	
Log Builder	✓	
Building Envelope Technician	✓	
Residential Steep Roofer	✓	
Certified Residential Heating Technician	✓	
Lock Smith	✓	



Strategic Context and Labour Market Conditions

The following factors provide the planning context and market conditions that drive the business priorities and planned activities for the Residential Construction Industry Training Organization:

Industry Commitment and Support for the Apprenticeship Model

The Competition Council's report notes that *“Industry must provide commitment and real support to apprenticeship and ITOs must ensure that member companies release employees for skills training to increase completion rates”*.

For the ITA/RCITO model to be successful there is an expectation that industry will support:

- Sponsorship of apprentices and other types of industry trainees
- Employee absence from work to complete training
- Work-based training
- Certification
- Differentiated pay scale for higher quality, trained employees
- Volunteer time and expenses, such as Board duty, program development and training planning.

The following situations within the sector create challenges for the RCITO in building industry commitment to the apprenticeship system:

- The structure of the industry with small owner managed business, and limited awareness of and commitment to the apprenticeship training model;
- The high activity levels and demands that result in employees working, receiving relatively good compensation and not recognizing the longer term benefits of a credential;
- The apprentice employers in the residential/home building sector are generally small independent contractors that subcontract to larger builders and are typically not members of any specific industry association; and,
- The lack of an industry training culture and or requirements with employers and/or employees to achieve the certifications.

Each of the following situations provides more detail regarding these challenges.

Residential Construction Activity

The residential construction sector is a strong and vibrant contributor to the provincial economy employing over 60,000 workers and contributing approximately \$11B to the economy. The BC Residential LMI Committee and the National Residential LMI Committee economic forecast reports that residential construction will continue rising until 2011, when slight declines will begin at a rate of about 1% for 2011. Non residential construction activity will peak in 2008, and begin declining by 4.6% in 2009 and 7.7% in 2010. Workers within these construction sectors have historically moved between the industries.

The pace of residential and non residential activity has strategic impacts on RCITO. Entry level workers wanting to work in construction can rotate between the sectors to develop competencies that are shared and experienced workers can compete for the jobs



that provide the greatest career satisfaction. Competition will continue for both entry level and experienced construction workers.

A high level of activity impacts the training choices of apprentice not yet certified. With increased competition workers can receive competitive salaries without certification. Employers have been impacted and with small workforces and significant projects underway have looked to hire workers with training and skill development completed.

RCITO Response: Significant leadership and commitment to training and long term development of a qualified workforce is necessary to develop a training culture in the residential sector. RCITO plans to engage leadership at the Board level and to promote the benefits of training to the sector in partnership with the industry associations it serves. A number of strategies and initiatives will be implemented, with the promotion of the national and provincial tax incentives a key message that this industry successfully championed and now must implement at the “company” level. As well new entry level programs are required to ensure workers are able to come into the workforce and progress through to Certification, with options to career ladder into other construction trades. RCITO plans to continue developing innovative delivery models and new programs that will respond to the industry competency/skill requirements.

Labour Force Planning

The residential construction labour market is an aging workforce and the need for succession planning exists in all trades as well as management. Within the home building sector workers average age is early fifties, in the domestic heating sector workers average age is mid to late 30s.

Turnover varies between the various sub contractors within the residential sector and within the various stakeholder groups RCITO serves. The residential heating labour market inventory (LMI), in a report commissioned for developing the new Certified Home Heating Technician, reports the workforce to be relatively stable. The home builders require some seasonal adjustments with their workforce resulting in short term unemployment. The log building industry is active and relatively stable with some short term layoff periods as well.

As we enter 2007 the environment continues to be a major concern for a growing segment of the population. The residential sector has responded to consumer demands, pending regulations, choices for more energy efficient homes, and technological advancements in green building designs, and home heating/cooling systems. It will be increasingly important to develop competencies in alternate energy systems as well as new green building requirements. Apprenticeship programs will need to address the changing competencies that the green building design concepts, regulations, consumer trends and social influences will require of industry.

Many of the individual companies within the sectors RCITO serves are comprised of small owner managed organizations, where HR planning and recruitment capacity are limited. Companies within these sectors will face shortages in management and trades and will need to begin investing in HR planning, including developing existing employees, recruiting and developing new employees, and ensuring a competitive workplace is attractive to workers. This is key for success within the sector and to ensure



that employers have managers who can facilitate workbased training, and that they then have access to apprentices that are willing to make an investment with the company.

RCITO Response: RCITO plans to develop processes for employers to access technically trained workers from public and private post secondary training institutions. Working with industry and educators, unique partnerships with front-end training program providers will be developed in 2007/8. RCITO plans to facilitate increased certifications by developing an innovative sponsorship process with training providers and will assist employers in the process of reporting and signing off of work based training.

Competition for Skilled Workers

In 2007 competition for skilled workers will continue between the various construction sectors, as well as competition from the resource sector, the tourism sector and the knowledge sector. Youth will be bombarded with marketing by companies and industries as they each try to attract new entrants, with promises of rewarding careers. The residential sector continues to have challenges in promoting its industry as a career choice.

In response to the Campus 2020 initiative RCITO participated in a CEO Forum facilitated by the Vancouver Board of Trade. Two key messages were delivered by employers that are relevant to the challenge of competition for skilled workers. First employers must provide workplaces that are attractive and conducive to youth. Second point of significance is the need for new workforce entrants to come to the workplace with respect, integrity and a strong work ethic to deliver high quality products and services.

RCITO Response: The residential sector is poised to address both these challenges. In terms of an attractive workplace, employers are competing on salaries and benefits and are enhancing their management competencies. The residential sector focus on green building is one pillar that addresses youths growing concerns with protecting the environment. RCITO with its industry partners will enhance its ability to reach youth considering career options in residential construction. Working through the Career Counsellors RCITO will continue promoting residential career choices, construction workplace attributes and work to streamline apprenticeship programs for delivery in the ACE IT system at the secondary school level.

Professionalism and Costs

At the close of 2006 residential construction continued to report through its industry leaders, its insurance providers and regulators the need for higher levels of professionalism. Growing and maintaining a high quality construction labour pool that produces high quality products and services, on time, on budget, keep costs realistic. Continued skill shortages are a threat to the sector and to the provincial economy overall.

RCITO Response: RCITO will continue working with industry and other interested organizations to develop apprenticeship solutions to skill shortages and promoting the knowledge base necessary to support “Built Green” building.



RCITO Organizational Capacity and Sustainability

RCITO's significant challenge is working with industry to implement new programs and bring existing programs into compliance. These programs are being delivered in a sector where a lack of a training culture exists and where significant resources are necessary province wide to explain the apprenticeship process, work with apprentice who are unsure of the apprenticeship model and motivate employers and individuals to achieve certifications. To date RCITO has relied on ITA operational funding, federal government investments in human resource development and tax incentives to apprentices, as well as industry associations leadership to develop new programs and bring into compliance other programs. RCITO has also relied on the industry demands as the basis for developing programs and promoting programs once approved. This model has resulted in considerable uptake but limited certifications for compliant programs and limited organizational capacity to continue its mandate.

RCITO Response: RCITO with its Board of Directors leadership will seek additional core funding to build its human resource capacity and longterm sustainability. RCITO will recruit individuals with significant influence and leadership within the unique industries that are stakeholders to the ITO, who can build compliant programs and have rapport and professional credibility within these sectors.

In 2007-08 and continuing RCITO will seek additional partners to collaborate and build training cultures within our industries. This is a significant change that requires substantial resources that are outside the capacity of the residential ITO in isolation. RCITO will leverage the training tax incentive programs and look for additional opportunities to influence the industry.

Strategic Priorities and Goals

RCITO overall strategic goals are:

- To identify BC residential construction industry training requirements arising out of the BC Residential Construction LMI information and develop strategies, programs and qualifications to meet them.
- To ensure sufficient numbers of motivated people enter BC residential construction industry employment and career paths.
- To establish career and learning pathways which connect BC residential construction training programs, other programs, and industry training qualifications.
- To build and sustain an industry training culture within the BC residential construction industry as a whole and among individual employers and workers.
- To build a sustainable BC residential construction industry training organization that produces qualified workers in existing apprenticeship programs and to meet the new energy efficient and green building techniques.
- To attain a high level of trainee, worker and employer satisfaction with RCITO products, programs and services.

The following roles and priorities of the ITA and RCITO are defined as per ITA legislation and ITO guidelines.

ITA's roles and responsibilities as they relate to RCITO's activities are as follow:



- Maintaining industry training policy and standards framework;
- Approving programs/standards recommended by industry;
- Registering, tracking and certifying trainees (through its Industry Training Centre);
- Funding industry training (based upon industry developed plans and priorities);
- Participating in an ex-officio capacity in the RCITO governance structure.

RCITO's roles and responsibilities are as follow:

- Identifying current and future skills and training needs;
- Designing and developing training programs and strategies;
- Establishing occupational and program standards;
- Developing an annual training plan;
- With the ITA accrediting training providers;
- Coordinating and facilitating program delivery;
- In partnership with educators and employers recruiting trainees;
- Marketing/promoting programs to employers;
- Training the trainers, mentors and workplace assessors; and,
- Implementing training management system.

RCITO Goals 2007/08 -2009/10

In 2007-08 -2009/10 RCITO plans to focus on five goals related to our strategic goals:

1. Move from developmental to Full Service ITO. Develop forecasting capacity in 2007/08 and training provider assessment capacity in 2007/08. Meet the performance measurements of the Developmental ITO.
2. Develop RCITO Capacity and Leadership: enhance the Board leadership capacity through recruitment and training, and develop management and staffing capacity through recruitment and training.
3. Strengthen financial resources with alternate funding sources in partnership with industry associations.
4. Ensure high quality program standards and innovative training delivery options are developed in partnership with industry, which meet the provincial industry requirements and align with the priorities of the ITA.
5. Enhance industry and stakeholder awareness of the industry training system in partnership with the ITA, and increase participation and completions in RCITO managed programs.

The rationale for the selection of goals and the following performance measures has been to ensure the sustainability of the RCITO. The goals are responsive to what are the agreed challenges facing the apprenticeship training system in BC and RCITO specifically.

RCITO must move to a Full Service ITO as attested by an independent audit undertaken on behalf of the ITA. Key to the ability to reach a full service ITO is to address governance and internal capacity threats to the long term sustainability.

Operational financial resources for the ITO advanced by the ITA are insufficient to meet the needs of an ITO with a small registered apprenticeship base. RCITO must enhance its financial capacity to achieve its goals, and alternate sources of revenue are required.



RCITO and its partners and stakeholders must validate that an apprenticeship approach to training is supported by industry. A key determinant of validation is certifications issued. RCITO has had a challenging implementation cycle for new program certifications. Certifications are a significant determinant for the ITO and to support reaching the certifications RCITO needs to enhance awareness of the apprenticeship system and its role and programs in supporting that system.

Performance Measures and Targets

Goal 1: Move to a full service ITO achieve the following performance targets

	Baseline	Target 07/08	Target 08/09	Target 09/10
# of registered apprentice	488	650	TBD	TBD
# of employers	84	120*	TBD	TBD
Trainee completion rate	7	25%	TBD	TBD
# of compliant programs	1	4	TBD	TBD
Enhance Forecasting	NA	LMI Process	Accuracy %	Accuracy %
Training Assessments	NA	Checklist	Compliance	Compliance

The performance measures for the ITA and RCITO for 2007-08* include:

- Number of registered trainees/apprentices in programs leading to ITA credentials
- Number of employers/sponsors with an active trainee/apprentice on staff**
- Trainee/apprentice program completion rate***
- Number of Training programs with updated standards (compliant)****

*During the developmental stage RCITO is required to define these targets for the coming fiscal year.

** During 2007/08 RCITO will be developing a process for training providers to sponsor apprentice. This results in less employers registering.

***RCITO completion rates projected are derived from the historical trends of the carpentry program which was last reported at 26%.

****RCITO has two new programs in development: Building Envelope Technician (BET) and Certified Residential Heating Technician (CHT). The pilot implementation of the BET will be completed in June 2007 and RCITO has indicated this program will meet compliant requirements in 2007/08. The Log Builder Program and the Residential Building Maintenance Worker programs will be brought into compliance in 2007/08. The RCFT program is currently compliant. The CHT program will be in pilot stage in 2007/08 pending BC Safety Authority agreement on the program profile and will be compliant in 2008/9.

Goal 2: Develop RCITO Capacity and Leadership: Enhance the Board leadership capacity through recruitment and training, and develop management and staffing capacity through recruitment and training.

Performance Measure: RCITO will recruit and appoint Board members to meet the governance structure proposed.



Performance Measure: RCITO will develop a compensation framework and recruit and develop its management and employee team as per the proposed structure.

Strategy: RCITO chair and CEO will develop Board recruitment materials and briefing packages for new Board members. RCITO will facilitate with the ITA “board sessions” on key apprenticeship concepts: Sponsorship, Training Provider Standards, Role of the ITA and Industry Governance as well as other strategic information sharing.

RCITO will leverage program development and program review funding to build a sustainable compensation structure that will support building internal human resource capacity.

Goal 3: Strengthen financial resources with alternate funding sources in partnership with industry associations.

Performance Measure: RCITO will enhance leverage of its core mandate through industry HRD committees. RCITO will seek additional financial resources to increase its operating budget to \$350,000 in 2007-08 and ongoing forecasts. .

Strategy: RCITO will develop a minimum of four proposals for ongoing/sustainable contributions of \$25-40,000 each to supplement existing operational funds. Targeted funding will be to support: Social and Aboriginal housing maintenance; building envelope remediation and new construction quality; home builders national agenda to develop unique residential sub trades/apprenticeship; Creating BC as a center of Log Building apprenticeship; and, address residential construction energy efficiency/green building stewardship.

Goal 4: Ensure high quality program standards and innovative training delivery options are developed in partnership with industry that meet the provincial industry requirements and align with the priorities of the ITA.

Performance Measure: RCITO will create a Board Standards and Accreditation Committee. For each program managed Program Accreditation Committees will be formed and a chair will be appointed who will serve as a member of the RCITO Board Standards and Accreditation Committee.

Performance Measure: RCITO will meet its program compliance and employer participation goals.

Strategy: RCITO will facilitate industry engagement in developing programs that will be evaluated by industry associations through a focus group process. Program accreditation committees will be comprised of 1/3 recently accredited apprentice in same or parallel program, 1/3 employers and where appropriate 1 training provider (articulation) committees, and one RCITO employee.

Goal 5: Enhance industry and stakeholder awareness of the industry training system in partnership with the ITA, and increase participation and completions in RCITO managed programs.

Performance Measure: RCITO will develop a survey tool to measure awareness in 2007/08 and create baseline data.



Strategy: RCITO will promote recently implemented training tax incentives in partnership with our industry leaders and associations. RCITO will move from pilot to sustainable ITO by creating awareness of its leadership of residential construction apprenticeship and career selection. RCITO will also assist in building professionalism and a training culture in the sectors it serves.

Summary Financial Outlook

In 2006/07 RCITO leveraged its core operating budget with direct program development contributions from the ITA. RCITO through its industry Human Resource Development (Service Canada) Committees leveraged additional funding to complete:

- A program outline for a new Interior Finishing trade
- A program outline for a new Exterior Finishing trade
- RCFT Sponsorship and Industry Commitment Report
- Residential Construction marketing and promotions research
- A new trade program proposal for a Certified Heating Technician
- A program outline for the new Certified Heating Technician

Funding for the above projects and work undertaken by industry to support RCITO initiatives totaled over \$160,000. In addition RCITO received a contribution of \$25,000 from the HPO to advance the Building Envelope Technician program implementation.

As RCITO moves forward in 2007/08-2009/10 it intends to seek efficiencies with other ITOs by considering shared services and resources that continue to allow for unique industry ITOs while developing expertise and economies of scale. Areas of shared services could be with the CITO developing construction LMI and economic forecasts, and studies in apprenticeship completions. With other ITOs shared services for accounting, office rental and administrative support are under consideration and discussion.

Budget Summary

Revenues	Budget F 06/07	Forecast F 07/08	Forecast F 08/09	Forecast F09/10
ITA	\$200,000	\$200,000	\$200,000	\$200,000
Other	\$61,100	\$151,200	\$163,176	\$185,322
Total	\$261,100	\$351,200	\$363,176	\$385,322
Expenditures	Budget F 06/07	Forecast F 07/08	Forecast F 08/09	Forecast F09/10
Operations	\$261,100	\$350,200	\$363,176	\$385,382
New program development Significant Program	\$435,000	\$365,000	\$250,000	TBD
Upgrades	\$66,000	\$112,000	\$65,000	\$40,000
Total	\$762,100	\$827,200	\$678,176	\$425,382



RCITO Operations Budget

As RCITO develops internal capacity it plans to leverage Program Development funding for salaries and benefits, travel and meeting expense and marketing communications expense. Each program reviewed and implemented with have marketing costs associated with its revised or initial implementation. As well RCITO will have increased travel and meeting expenses to serve the distinct sectors within residential construction: Log Building, Residential Heating, Social and Aboriginal Housing, and Home Builders and Sub Contractors. Alternate revenue sources will be pursued as well. Referring to Capacity Building Goal, and based on 2006/07 experience RCITO intends to seek additional sustainable revenue from alternate sources in 2007/08 and in the future to meet the forecast detailed as follows:

Item	Budget F 06/07	Forecast F 07/08	Forecast F 08/09	Forecast F09/10
Salary & Benefits	181,400	239,200	246,376	253,767
Contract Labour		0	0	
Consulting	10,000	12,000	15,000	20,000
Board Expense		5,000	5,000	8,000
Professional Services (Legal/Audit)	3,000	6,300	6,800	7,140
Office Furniture		2,000	2,000	1,000
IT Network costs		3,600	4,000	4,000
Computer Telecom Equip		3,000	1,500	3,000
Space rental lease	24,000	14,400	20,000	24,000
Leasehold improvements		2,000	1,000	1,500
Office Expenses	5,500	8,000	8,000	9,000
Telecommunications		4,500	4,500	4,725
Marketing/Communications/	3,000	30,000	30,000	31,500
Travel/Meeting	12,000	18,000	15,000	15,750
Depreciation		700	1,000	1,000
Website		2,500	3,000	1,000
Other	22,200			
Total	\$261,100	\$351,200	\$363,176	\$385,382



New Program Development and Significant Program Upgrades

RCITO is committed to developing dedicated residential construction apprenticeship programs. High quality programs that are maintained by industry are necessary to build a sustainable sector and a sustainable workforce. Our plans include the following:

NEW PROGRAM DEVELOPMENT AND SIGNIFICANT PROGRAM UPGRADES				
	<i>Current</i>		<i>Forecast</i>	
	<i>06/07</i>	<i>07/08</i>	<i>08/09</i>	<i>09/10</i>
New Program Development				
<i>New Program Name</i>				TBD
Building Envelope Technician	\$154,000	\$45,000	\$50,000	
Certified Residential Heating Technician		\$240,000	\$40,000	
Exterior Finishing Technician		\$40,000	\$80,000	
Interior Finishing Technician		\$40,000	\$80,000	
Total	\$435,000	\$365,000	\$250,000	
Significant Program Upgrade				
<i>Program Name</i>				
Log Builder	\$20,000	\$50,000	\$20,000	\$10,000
Residential Building Maintenance Worker	\$25,000	\$37,000	\$10,000	\$10,000
Building Envelope Technician		\$25,000	\$25,000	\$10,000
Residential Construction Framing Technician			\$10,000	\$10,000
Total	\$66,000	\$112,000	\$65,000	\$40,000

