



## Achieving the Seven Core Competencies

### *Requirements*

Tarion has outlined seven core educational competencies for new registrants that must be achieved prior to the annual renewal date. The core learning requirements for each competency is listed below.

There may be cases where a new applicant has an equivalency of one or more of the competencies based on his/her prior education and experience. Equivalencies will be assessed by Tarion on an individual basis. [An equivalency guide](#) is provided in this document to help applicants determine if their skills may qualify for an equivalency. [Contact Tarion directly](#) if you feel your prior experience and professional designation can be used as an equivalency to the learning objectives outlined below.

### **Competencies:**

1. [Business Planning and Management](#)
2. [Financial Planning and Management](#)
3. [Project Management and Supervision](#)
4. [Legal Issues in Housing](#)
5. [Building Codes](#)
6. [Construction Technology](#)
7. [Customer Service and Tarion Warranty](#)

### **Equivalencies:**

[Equivalency Guidelines](#)



## 1. Business Planning and Management

### Explain Business Vision, Objectives and Goals

- i) Describe Statement of vision, objectives and goals
- ii) Explain Statement of company rationale, values, directions and risks
- iii) Explain Statement of ethics
- iv) Explain Products and services

### Integration with Financial Plan

- i) Understand Purposes of financial plans
- ii) Explain Pro-forma statement of operations (income statement)
- iii) Explain Pro-forma statement of financial position (balance sheet)
- iv) Explain Cash flow estimates
- v) Explain Mark-ups

### Marketing Plan

- i) Explanation of terms: market research, marketing, marketing planning
- ii) Describe Market research methods
- iii) Describe Elements of marketing planning: market environment, target market, positioning, pricing, strategy, sales strategy (public relations plan, advertising plan and referrals plan)

### Operating Plan

- i) Describe different business forms (i.e. sole proprietorships, partnership, corporations, limited partnerships, partnerships of corporations) and some pros and cons of each model
- ii) Describe the major functions of a residential business: land acquisition, house designs, estimating, contract administration, quality control, customer service and waste management
- iii) Describe how to use management control systems (general, construction management, site management)
- iv) Know how to assess business goals and evaluate performance against objectives using sales and financial measures
- v) Give examples of Protecting the business: overview of insurance and Construction Lien Act
- vi) Explain why and when a new/updated plan should be developed
- vii) Managing change: Give examples of when changes to one part of the business plan affect other parts.
- viii) Explain Importance of communications to business success, construct guidelines for effective communication



## 2. Financial Planning and Management

### Describe Financial Planning

- i) Integration with business plan, purpose and main elements of the business plan
- ii) Construct Financial projections
- iii) Compute Pro-forma statement of operations (budget)
  - Explanation / elements (sales, costs, gross income, net income, etc.)
  - Purposes of the pro-forma statement of operations
- iv) Compute Pricing: alternate methods, factors to consider
- v) Compute Break-even analysis: explanation
- vi) Discussion of overhead costs
- vii) Apply Margin/mark-up: explanation and guidelines
- viii) Pro-forma statement of financial position: explanation, elements
- ix) Calculate Pro-forma cash flow statement

### Financial Management

- i) Explanation of financial management practices: records requirements and operating guidelines, e.g., timely reporting, communicating guidelines
- ii) Explain Accounting concepts, principles and practices
  - Accounting cycle
  - Alternate accounting benchmarks
- iii) Bookkeeping: explanation; concepts and practices: journal entries, double-entry, preparation of ledgers, trial balance, etc.
- iv) Describe Financial statements
  - Statement of operations: explanation, elements (sales, costs (fixed, variable), gross income, net income)
- v) Describe Financial performance measures: financial ratios, benchmarking
- vi) Give examples of Financing: types of construction financing
- vii) Describe Lender policies; working with lenders
- viii) Describe Credit arrangements
- ix) Describe Loan and collateral security requirements and arrangements
- x) Apply Cost control (general and specific, i.e., overhead, construction, sales, administration costs)
- xi) Define Purchase order system
- xii) Construct a System to control/account for extras and changes



## 3. Project Management and Supervision

### Describe and use Project planning

- i) Compare and contrast ways of Meeting human resource requirements through staff and subcontractors: advantages and disadvantages of each approach; need for job descriptions
- ii) Describe and compare Development regulations: zoning, permits, easements
- iii) Construct basic Contracts with sub-contractors, suppliers, insurers and lenders: subcontractor and supplier responsibilities; requirements of insurers and lenders
- iv) Understand Tendering: bid requirements and practices; trade selection
- v) Know how to prepare and use Scheduling: value of scheduling, scheduling guidelines, critical scheduling stages, time management
- vi) Organize Pre-construction meetings Explain objectives of pre-construction meeting and key components to include

### Organize and implement Project supervision

- i) Know how to Organize Material and labour acquisition: purchasing order system and guidelines, substitutions, timing, storage and care
- ii) Understand responsibility for pre-construction activities: site logistics, site servicing, contingency plans (e.g., bad weather)
- iii) Describe best practices for Working relationships with people involved in the construction process, including employees, sub-contractors, suppliers and inspectors; Describe key elements of a human resources plan
- iv) Organize Contract compliance, plan and specification check (drawings, etc. Demonstrate understanding of site reporting including contract compliance and plan checks
- v) Understand different types of inspections and be able to apply inspection guidelines
- vi) Understand key elements of Quality control: performance benchmarks, associated requirements
- vii) Describe Reporting requirements (internal and external)
- viii) Describe how to Set-up and monitor Cost control: comparison of costs with budget
- ix) Describe how to Use a Change/work order system

### Identify and Implement Project site work safety

- i) Identify and Implement Guidelines on safe site conditions
- ii) Identify and Implement Guidelines from Occupational Health and Safety (OH&S) legislation/regulations
- iii) Identify and Implement Guidelines from WHMIS regulations
- iv) Identify and Implement Guidelines from WSIB regulations



## 4. Legal Issues in Housing

### Summarize Legal requirements of contracts:

- i) This includes necessary elements, requirements and conditions of contracts, basis for and patterns of payment, breach of contract and remedies for breach of contract

### Describe Types of contracts:

- i) This includes types of building contracts, contracts with subcontractors, contracts with lending institutions, contracts with homeowners, and contracts with realtors
- ii) Distinguish between an Agreement of Purchase and Sale, and a Contract Home

### Give examples of Warranties:

- i) This includes builders' warranties, third-party warranties and manufacturers' warranties. The Warranties as prescribed by Tarion Warranty Corporation

### Describe Land registry system and related topics:

- i) This includes an explanation of things like land transfer, closing procedures and conditions and easements

### Summarize Builder liability:

- i) This includes liability in contract and liability in negligence, tort law, environmental liability, WSIB/OH&S liability, statute of limitations

### Explain Construction Lien Act:

- i) This includes an explanation of the Act and of the following topics: lien claimants, filing procedures, amounts, holdbacks and enforcement of liens

### Describe Insurance law:

- i) This includes information on coverage by insurance companies

### Describe Privacy law and corresponding requirements

- i) E.g., penalties for breach

### Describe Dispute resolution mechanisms:

- i) This includes information on mediation and arbitration

### Describe Employment law:

- i) This includes information on conditions of an employment relationship, termination of employees, constructive dismissal, sexual harassment, vicarious liability and individual rights under the Individual Protection Act



## 5. Building Codes in Ontario

### Describe The role of the provincial building code

- i) Describe How it's developed (objective-based) and what it accomplishes
- ii) Identify Who enforces it and the general permit process
- iii) Describe The difference between minimum compliance (aka 'meeting the code') and best practice
- iv) Identify Who is responsible for compliance and consequences of non-compliance
- v) Understand How the building code relates to other codes e.g. electrical
- vi) Describe Warranty for OBC violations

### Describe What the building code governs

- i) This includes all aspects of Division B, Parts 9 and 12, relating to residential construction. While Part 9 governs low-rise construction, many of the principles also relate to high-rise construction and condominium units. Include other Parts of the building code that are referenced

### Additional Emphasis to be placed on requirements governing:

- i) Identify Soil bearing capacity and problematic soil conditions
  - Geotechnical investigation
  - Footing sizes
- ii) Identify Structural materials and methods of assembly to reduce damage from movement
  - Foundations
  - Superstructure
- iii) Identify Building envelope and keeping the weather out, and resolve simple issues
  - Foundation drainage
  - Insulation and air/vapour barriers
  - Windows and doors
  - Flashing and cladding types
    - EIFS as a drained system
  - Flashing and roofing types - Flat roofs
- iv) Describe Sound transmission into residential units, and solve simple problems
  - No requirements for impact noise but consider mitigating
  - Lab tests cannot be replicated onsite, therefore consider increasing STC for assemblies
  - Plumbing and mechanical noise
- v) Compare Heating and ventilation systems controlling indoor air quality
  - Design temperatures
  - Air conditioning not required
  - Ventilation equipment, sizing and ducting
- vi) Define Septic Systems
  - Overview principles of design and operation
- vii) Implement Proper installation of interior finishes
  - E.g. Flooring, cabinetry, trimwork, etc.



## 6. Construction Technology

### a) Explain "House-as-a-system" concept

### b) Understand Building science that affects building durability and occupant comfort, including the following:

- i) Explain Controlling heat flow (heat flow mechanisms, i.e., conduction, convection and radiation)
- ii) Explain Controlling moisture flow (moisture movement mechanisms, i.e., bulk moisture movement, capillary action, air-borne moisture and vapour diffusion)

### c) Categorize Indoor air quality:

- i) Contributors and detractors (pollutants, moisture, mold, etc.), material selection

### d) Interpret Sustainable development:

- i) Energy efficiency, resource efficiency, environmental responsibility

### e) Understand Building envelope details that focus on the following:

- i) Classify Air barriers (materials and details)
- ii) Classify Vapour barriers (materials and details)
- iii) Distinguish Foundation design: types of foundations, heat loss control, and moisture control
- iv) Distinguish Floors: details for heat flow control, moisture management, details at critical locations, vibration telegraphing sub-floors
- v) Distinguish Wall design: heat loss and moisture control, alternate details
- vi) Distinguish Roof construction and attics: air leakage into attics, details at critical locations, heat loss control, details to deal with specific problems, e.g. truss uplift, ice damming
- vii) Distinguish Windows and doors: installation guidelines to control heat loss and gains and moisture
- viii) Distinguish Off-site panelized wall and floor systems

### f) Understand Mechanical systems

- i) Distinguish Heating, cooling and ventilation principles
- ii) Distinguish Heating systems
- iii) Distinguish Heat distribution systems
- iv) Distinguish Ventilation systems: benchmarks, alternate systems, HRVs and ERVs, and design and installation considerations

### g) Distinguish Integrated mechanical systems

### h) Determine Engineered building components: This refers to the correct use of products such as trusses, wood-Is and insulated concrete forms and load-bearing steel studs

### i) Use Construction performance guidelines



## 7. Customer Service and Tarion Warranty

### a) Explain - What is customer service?

- i) Describe the 5 factors of service excellence: reliability, assurances, tangibles, empathy and responsiveness

Demonstrate understanding of customer values, behaviours and expectations

### b) Understand Framework for customer service

- i) Explain how to establish expectations and why it is important for good customer service
- ii) Understand the steps in transferring a home to the customer
- iii) Predict & plan for Customer Services during construction
- iv) Describe the elements of a walk-through inspection and its relationship to customer service and home warranty
  - Explain the importance of customer orientation, including key components of an effective maintenance manual
- v) Explain how to plan for warranty service work, including time management, budget contingency, and sub-contracts

### c) Handling difficult situations: Identification of common difficulties, methods for resolving conflicts

- i) Identify the common causes of disputes and customer dissatisfaction
- ii) Explain techniques for resolving disputes; Identify and describe briefly the key processes for resolving disputes (mediation, arbitration, civil suit, appeal)

### d) Construct and use a Quality customer service action plan

- i) Represent Attributes of an effective customer service strategy
- ii) Identify Procedures for identifying customer service problems and solutions

### e) Ability to demonstrate knowledge in, and execution of Tarion rules/processes, regulations, and policies including (this segment is pre-approved and available from Tarion on request for insertion into a course)

- i) Explain Tarion's role in the new home industry in Ontario
- ii) Apply Ontario New Home Warranties Plan Act & Regulations as it relates to the Builder business - include need to register / renew, and enrol homes (timing, fees, etc.)
- iii) Summarize Freehold and Condominium Ownership structures
- iv) Describe and interpret Warranties
  - Deposit protection and Financial loss
  - Delayed closing and Occupancy
  - One year warranty provisions. Work and material, Ontario Building Code, fit for habitation, Substitution
  - Two year warranty provisions. Water penetration, OBC H/S, exterior cladding, insulation, Distribution
  - Years three to seven provisions. Major structural Defect Coverage
- v) Use Tarion Builder Bulletins
  - **Builder Bulletin 19** – Condominium Projects Design and Field Review Reporting
  - **Builder Bulletin 20** - How Chargeability is determined and applied
  - **Builder Bulletin 28** - Tarion Requirements for Receipt and Release of Security
    - Risk assessment Process for Freehold and Condominium homes / projects
    - Security requirement
    - Terms and Conditions of registration/renewal
  - **Builder Bulletin 42** - Customer Service Standard
    - Warranty Service Requests and timelines
    - Exceptions - Emergencies





## 7. Customer Service and Tarion Warranty

- vi) Organize Pre Delivery Inspection – PDI
  - Process and requirements
- vii) Explain Home Owner Information Package
  - Process and Requirements
- viii) Apply Construction Performance Guidelines
  - Freehold version, Common Element Version
  - Ability to understand and apply effectively
  - How Tarion will rule on a warranty claim
- ix) Understand Appeal Mechanisms
  - LAT – Licence Appeal Tribunal
  - BAF – Builder Arbitration Forum
- x)



Equivalency Guidelines							
	Business Planning & Management	Financial Planning & Management	Project Management & Supervision	Legal Issues in Housing	Building Codes	Construction Technology	Customer Service & Tarion Requirements
Chartered Accountant CA/CMA/CGA	✓	✓					
Lawyer LLB				✓			
Professional Engineer P Eng.			✓		✓	✓	
Licensed Architect OAA MRIAC			✓		✓	✓	
Architectural Technologist MAATO					✓	✓	
MMAH Building Codes BCIN					✓		
Engineering Technologist CET						✓	
Centennial College Post Grad Construction Management Program	✓	✓	✓	✓	✓	✓	

**Note:** This is a general guideline only. Tarion will review each equivalency request on an individual basis, considering previous education in comparison with Tarion's core learning requirements. Residential building experience is also a requirement.