



Manitoulin-Sudbury District Services Board

Allocation of Program Support Costs for 2017

October 5, 2016

The Program Support budget includes the costs of those services which are provided across all four programs. These are the shared supports which allow the four Board programs to operate. If a cost can be solely allocated to a particular program, then that cost will show up as a line item within that particular program budget. An example of a Program Support cost is Human Resource management which serves all programs.

The Board provides programming mandated by five separate Ministries. In three of the four programs there is grant based funding of administrative costs. We continue to fight for ongoing administrative funding in Social Housing. The province often refers to these as cost shared activities but in all cases they are unilaterally capped by the province and seldom reflect the stated costs sharing formula. It is essential that the program support costs are appropriately assigned to each program in order to reasonably request and receive these administrative grants. The Board needs to know the true cost of running each program so that it can lobby for appropriate and justifiable administrative funding.

The Program Support budget is composed of several components. Each component is divided up among the programs in a manner which attempts to accurately reflect the estimated cost of that component for each program's delivery. In the private sector, there are similar attributions or allocations of costs in corporations with many business activities which receive central or corporate supports. There is no formula which is deemed to provide an absolutely accurate analysis without incurring significant new costs to refine the allocation process.

This report is meant to be reviewed each year and refined over time so that the Program Support cost allocation is more precise and remains relevant. The financial amounts are based on prior year's audits available at budget time, but staffing is based on that in place at the time of budget creation. This report is an important component of the annual budget process.

#1 Corporate Costs

Allocation: These core administrative costs are divided equally among all four programs.

Cost components:

- The salary, benefits and travel of the CAO
- 50% of the salary, benefits and travel of the Executive Assistant
- Audit costs, board costs, association memberships – AMO, OMSSA, NOSDA

The total of these costs is \$370,633		
Program	2017 % allocation	2017 allocation
Ontario Works	25%	\$92,658
Children's Services	25%	\$92,658
Paramedic Services	25%	\$92,658
Social Housing	25%	\$92,658
Total	100%	\$370,633

#2 Human Resources Support

Allocation: Human Resources are provided through an external contract and internal support from the Executive Assistant (50%). Costs are distributed based on the number of fulltime and regularly scheduled Part Time staff

Cost components:

- The contract cost and travel of the Human Resources Support received from DiBrina Sure Human Resources Inc.
- 50% of the salary, benefits and travel of the Executive Assistant
- Human Resources related legal costs
- Advertising for staffing

The total of these costs is \$145,014			
Program	FT and Regular PT staff as of June 30 2016	2017 % allocation	2017 allocation
Ontario Works	15	11.90%	\$17,264
Children's Services	2	1.59%	\$2,302
Paramedic Services	96	76.19%	\$110,487
Social Housing	13	10.32%	\$14,962
Total	126	100%	\$145,014

3 Finance Department

Allocation:

- These costs are allocated based on program expenditures as a percentage of gross 2015 audited costs (50%)
- Number of service delivery locations as a percentage of all locations (30%)
- Program staff as a percentage of total staff (20%)

Cost components:

- Salaries, benefits and travel of Director of Finance, Infrastructure and Asset Management Supervisor, Finance Supervisor and Finance Assistants
- Office supplies

The total of these costs is **\$658,939**

3A Share of Expenditure

The total of these costs is \$329,469					
	Program expenditure (prior year audit)	Percentage of Gross expenditure	Finance Department Cost	Gross Share of Costs	Allocation 50% Finance Department Cost
	A	B	C	D (Column B x C)	E (50% of Column D)
Program					
Ontario Works	\$7,406,925	22.64%	\$658,939	\$149,152	\$74,576
Children's Services	\$5,287,191	16.16%	\$658,939	\$106,468	\$53,234
Paramedic Services	\$15,090,389	46.12%	\$658,939	\$303,874	\$151,937
Social Housing	\$4,938,453	15.09%	\$658,939	\$99,445	\$49,723
Total	\$32,722,958	100%		\$658,939	\$329,469

#3B Share of Service Locations/Service Providers

The total of these costs is \$197,682

Program	Number of service delivery locations or service providers A	Total Service delivery locations or providers B	Finance Department Cost C	Gross Share of Costs D (Column A/B x C)	Allocation 30% Finance Department Cost E (30% of Column D)
Ontario Works	4	7.69%	\$658,939	\$50,688	\$15,206
Children's Services	17	32.69%	\$658,939	\$215,422	\$64,627
Paramedic Services	12	23.08%	\$658,939	\$152,063	\$45,619
Social Housing	19	36.54%	\$658,939	\$240,766	\$72,230
Total	52	100%		\$658,939	\$197,682

#3C Share of Staff

The total of these costs is \$131,788

Program	Staff A	% of total staff B	Finance Department Cost C	Gross Share of Costs D (Column B x C)	Allocation 20% Finance Department Cost E (20% of Column D)
Ontario Works	15	11.90%	\$658,939	\$78,445	\$15,689
Children's Services	2	1.59%	\$658,939	\$10,459	\$2,092
Paramedic Services	96	76.19%	\$658,939	\$502,049	\$100,410
Social Housing	13	10.32%	\$658,939	\$67,986	\$13,597
Total	126	100%		\$658,939	\$131,788

#4 Accommodations costs:

Allocation: Accommodation costs are allocated to each program based on the number of program staff in that location. All Paramedic Services base costs are reflected directly in the Paramedic Services budget. All other office costs are divided by number of staff.

Cost components:

All office locations, lease, utilities, heat, improvements, municipal water, telephone, photocopiers, postage, insurance

Accommodation costs

The total of these costs is \$199,945				
210 Mead Blvd	2017 Location Costs	2017 FT and PT Staff	2017 % allocation	2017 allocation
Ontario Works	\$124,162	9	82%	\$101,587
Children's Services	\$124,162	1	9%	\$11,287
Paramedic Services	\$124,162	0	0%	\$0
Social Housing	\$124,162	1	9%	\$11,287
Sub-Total	\$124,162	11	100%	\$124,162
347 Second Ave	2017 Location Costs	2017 FT and PT Staff	2017 % allocation	2017 allocation
Ontario Works	\$75,784	0	0%	\$0
Children's Services	\$75,784	0	0%	\$0
Paramedic Services	\$75,784	7	78%	\$58,943
Social Housing	\$75,784	2	22%	\$16,841
Sub-Total	\$75,784	9	100%	\$75,784
Total	\$199,945	20		\$199,945

#5 Information Technology/ Communications

Allocation: Based on number of computers supported

Cost components:

Salary, benefits, travel of two staff

Hardware, software (program specific software shows up in the individual programs whereas system wide software is captured here)

The total of these costs is \$447,834			
Program	Number of Computers June 30, 2016	2017 % allocation	2017 allocation
Ontario Works	29	28.16%	\$126,089
Children's Services	3	2.91%	\$13,044
Paramedic Services	55	53.40%	\$239,134
Social Housing	16	15.53%	\$69,566
Total	103	100%	\$447,834

#6 Integrated Delivery Costs

Allocation: The cost of providing integrated reception and related client services are divided among Ontario Works, Children's Services, and Social Housing.

Cost components:

Salary, benefits, travel of six Integrated Program Assistants

Accommodation costs for four satellite offices

- Chapleau – 12 Birch Street
- Little Current – 9050 Highway 6
- Noëlville – 8 David Street
- Warren – 39 Lafontaine Street

All office locations, lease, utilities, heat, improvements, municipal water, telephone, internet, photocopiers, insurance, office supplies and postage.

The total of these costs is \$436,247		
Program	2017 % allocation	2017 allocation
Ontario Works	40%	\$174,499
Children's Services	30%	\$130,874
Social Housing	30%	\$130,874
Total	100%	436,247