



**Manitoulin-Sudbury District Services Board**

**Allocation of Program Support Costs for Year 2012**

**October 18, 2011**

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 for 2012 is **\$352,341**

| Program                    | % allocation | 2012 estimate allocation |
|----------------------------|--------------|--------------------------|
| Children's Services        | 25%          | \$88,085                 |
| Emergency Medical Services | 25%          | \$88,085                 |
| Ontario Works              | 25%          | \$88,085                 |
| Social Housing             | 25%          | \$88,085                 |
| <b>Total</b>               | <b>100%</b>  | <b>\$352,341</b>         |

## #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 **\$139,888**

| Program                    | FT and regular PT staff | % allocation | 2012 estimate allocation |
|----------------------------|-------------------------|--------------|--------------------------|
| Children's Services        | 2                       | 1.63%        | \$2,275                  |
| Emergency Medical Services | 88                      | 71.54%       | \$100,082                |
| Ontario Works              | 17                      | 13.82%       | \$19,334                 |
| Social Housing             | 16                      | 13.01%       | \$18,197                 |
| <b>Total</b>               | <b>123</b>              | <b>100%</b>  | <b>\$139,888</b>         |

### # 3 Finance Department

#### Allocation:

- These costs are allocated based on Program expenditures as a percentage of gross 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 travel of Director of Finance, Infrastructure and Asset Management Supervisor and Finance staff
- Office supplies

The total of these costs is **\$598,150**

#### # 3A Share of Expenditure

| Program                    | Program expenditure (2010 audit)<br>A | Percentage of Gross expenditure<br>B | Finance Department Cost<br>C | Gross Share of costs<br>D<br><i>Column B x C</i> | Allocation 50% Finance Department Cost<br>E<br><i>50% of Column D</i> |
|----------------------------|---------------------------------------|--------------------------------------|------------------------------|--|---|
| Children's Services        | \$3,483,316                           | 12.87%                               | \$598,150                    | \$76,973   | \$38,487  |
| Emergency Medical Services | \$11,649,310                          | 43.04%                               | \$598,150                    | \$257,424  | \$128,712   |
| Ontario Works              | \$6,335,211                           | 23.40%                               | \$598,150                    | \$139,994  | \$69,997  |
| Social Housing             | \$5,567,232                           | 20.69%                               | \$598,150                    | \$123,759  | \$61,880  |
| <b>Total</b>               | <b>\$27,068,369</b>                   | <b>100%</b>                          | <b>\$598,150</b>             | <b>\$598,150</b>                                 | <b>\$299,075</b>  |

**#3B Share of Service Locations/Service Providers**

| <b>Program</b>             | <b>Number of service delivery locations or service providers</b><br><b>A</b> | <b>Total Service delivery locations or providers</b><br><b>B</b> | <b>Finance Department Cost</b><br><b>C</b> | <b>Share of costs</b><br><b>D</b><br><i>A/B x C</i> | <b>Allocation 30% of Finance Department Cost</b><br><b>E</b><br><i>30% of Column D</i> |
|----------------------------|--|--|--|---|--|
| Children's Services        | 11   | 24%  | \$598,150                                  | \$143,036   | \$42,911   |
| Emergency Medical Services | 12   | 26%  | \$598,150                                  | \$156,039   | \$46,812   |
| Ontario Works              | 4  | 9%   | \$598,150                                  | \$52,013  | \$15,604   |
| Social Housing             | 19   | 41%  | \$598,150                                  | \$247,062   | \$74,119   |
| <b>Total</b>               | <b>46</b>  | <b>100%</b>  | <b>\$598,150</b>                           | <b>\$598,150</b>                                    | <b>\$179,445</b>   |

**#3C Share of Staff**

| <b>Program</b>             | <b>Staff</b><br><b>A</b> | <b>% of total staff</b><br><b>B</b> | <b>Finance Department Cost</b><br><b>C</b> | <b>Share of costs</b><br><b>D</b><br><i>Column C x B</i> | <b>Allocation 20% of Finance Department Cost</b><br><b>E</b><br><i>20% of D</i> |
|----------------------------|--------------------------|-------------------------------------|--|--|---|
| Children's Services        | 2                        | 2%                                  | \$598,150                                  | \$9,726  | \$1,945   |
| Emergency Medical Services | 88                       | 72%                                 | \$598,150                                  | \$427,945  | \$85,589  |
| Ontario Works              | 17                       | 14%                                 | \$598,150                                  | \$82,671   | \$16,534  |
| Social Housing             | 16                       | 13%                                 | \$598,150                                  | \$77,808   | \$15,562  |
| <b>Total</b>               | <b>123</b>               | <b>100%</b>                         | <b>\$598,150</b>                           | <b>\$598,150</b>   | <b>\$119,630</b>  |

#### #4 Accommodations costs:

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

#### Cost components:

All office locations, lease, utilities, heat, improvements, municipal taxes, telephone, Fax/Photocopiers, Postage, Insurance

The total of these costs is **\$227,543**

#### Accommodation costs

| Program                    | Location                     | Location costs | FT and regular PT staff (excluding paramedics) | % allocation | 2012 estimate allocation |
|----------------------------|------------------------------|----------------|--|--------------|--------------------------|
| Children's Services        | 210 Mead                     | \$133,631      | 1  | 9%           | \$12,148                 |
| Ontario Works              | 210 Mead                     | \$133,631      | 9  | 82%          | \$109,334                |
| Social Housing             | 210 Mead                     | \$133,631      | 1  | 9%           | \$12,148                 |
| <b>Sub-Total</b>           | <b>210 Mead</b>              |                | <b>11</b>                                      | <b>100%</b>  | <b>\$136,477</b>         |
| Emergency Medical Services | 2 <sup>nd</sup> Avenue       | \$93,912       | 5  | 83%          | \$78,260                 |
| Housing (OW in 2010)       | 2 <sup>nd</sup> Avenue       | \$93,912       | 1  | 17%          | \$15,652                 |
| <b>Sub-Total</b>           | <b>2<sup>nd</sup> Avenue</b> |                | <b>6</b>                                       | <b>100%</b>  | <b>\$93,912</b>          |
| <b>Grand Total</b>         |                              |                | <b>17</b>                                      |              | <b>\$227,543</b>         |

## #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 capture here)

The total of these costs is **\$381,393**

| Program                    | Number of computers supported | % allocation | 2012 estimate allocation |
|----------------------------|-------------------------------|--------------|--------------------------|
| Children's Services        | 2                             | 1.77%        | \$6,750                  |
| Emergency Medical Services | 53                            | 46.90%       | \$178,883                |
| Ontario Works              | 39                            | 34.51%       | \$131,631                |
| Social Housing             | 19                            | 16.81%       | \$64,128                 |
| <b>Total</b>               | <b>113</b>                    | <b>100%</b>  | <b>\$381,393</b>         |

## #6 Integrated Delivery Costs

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

### Cost components:

Salary, benefits, travel of five Intake worker staff

Accommodation costs for four satellite offices including phones, internet, office supplies and postage.

| Program             | % allocation | 2012 estimate allocation |
|---------------------|--------------|--------------------------|
| Children's Services | 25%          | \$104,143                |
| Ontario Works       | 50%          | \$208,287                |
| Social Housing      | 25%          | \$104,143                |
| <b>Total</b>        | <b>100%</b>  | <b>\$416,573</b>         |