TORONTO

STAFF REPORT
ACTION REQUIRED

Community Service Partnership Program – 2009 Allocation Recommendations

Date:	May 15, 2009
To:	Community Partnership and Investment Program Appeals Sub-committee
From:	Executive Director, Social Development, Finance and Administration
Wards:	All
Reference Number:	

SUMMARY

This report recommends that $11,645,525.00 be allocated to 230 organizations for 497 programs (421 service programs and 76 core administration requests); $68,000 be directed to locality based social development activities in Regent Park; and $31,505.00 be held for appeals.

Community Service Partnership (CSP) program provides ongoing support to not-for-profit organizations that work to improve social outcomes for vulnerable, marginalized and high-risk communities. The total Community Service Partnerships funding envelope within the Community Partnership and Investment Program (CPIP) is $11,745,030.00.

235 organizations were assessed for municipal support under the 2009 CSP. This report recommends that $11,645,525.00 be allocated to 230 organizations for 497 programs (421 service programs and 76 core administration requests). This amount includes $11,099,500.00 recommended to maintain ongoing funding to eligible programs and $546,025.00 recommended for allocation to new and increased requests under the equity framework. An additional amount of $31,505.00 is held for appeals.

Within the CSP funding envelope, an amount of $68,000 is to be directed to locality based social development activities in Regent Park.

RECOMMENDATIONS

The Executive Director, Social Development, Finance and Administration recommends that:

1.   the Community Partnership and Appeals Sub-committee approve the 2009 Community Service Partnerships allocations totalling $11,645,525.00 for 497 programs in 230 organizations as recommended in Appendices A and D, and an amount of $31,505.00 be held for appeals;

2.   the Community Partnership and Appeals Sub-committee approve the recommendation of $68,000.00 for the Regent Park Neighbourhood Initiative for the period of July 1, 2009 to June 30, 2010, subject to the organization providing an updated budget and supporting documentation, satisfactory to the Director, Community Resources;

3.   the grant allocated for the First Portuguese Canadian Cultural Centre of $6,120.00 in 2009 under the Recreation Investment Program be transferred to the Community Partnership Program starting in 2010;

4.   CSP provide funded organizations that deliver seniors social recreation programs that are also funded by the Provincial Elderly Person's Centre program, with the ability to transfer up to 50% of an approved 2009 CSP allocation within the funding period, with the approval of the Executive Director, Social Development, Finance and Administration:

    a.   from one approved Seniors EPC program to another approved Seniors EPC program;
    b.   from one approved Seniors EPC program to a new provincially funded EPC program;

5.   this report be forwarded to the Community Development and Recreation Committee; and,

6.   the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

This report recommends that the Community Partnership and Investment Program (CPIP)'s 2009 Approved Operating Budget for the Community Service Partnerships program of $11,745,030.00 be allocated as per Appendices A and D ($11,645,525.00) with $31,505.00 set aside for appeal purposes, and $68,000 to be directed to locality-based local planning.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

Community Services Partnership program provides ongoing support to organizations based on an annual application and review cycle.

In June, 2008 Council approved the report "Options to Streamline and Improve Funding Administration" providing direction to implement changes in the application and approval processes for CPIP Partnership programs.
http://www.toronto.ca/legdocs/mmis/2008/cc/decisions/2008-06-23-cc22-dd.pdf

In December, 2008 Council approved the report "Development of the Community Partnership Strategy" which provided direction to allocate the $600,000.00 requested in the 2009 CPIP budget for CSP to expanded priorities.
http://www.toronto.ca/legdocs/mmis/2008/cc/decisions/2008-12-01-cc27-dd.pdf

In February, 2009 Council confirmed the eligibility assessment of new and returning applicants to the Community Services Partnership program.
http://www.toronto.ca/legdocs/mmis/2009/cc/decisions/2009-02-23-cc31-dd.htm

Background Information

ISSUE BACKGROUND

The City of Toronto provides support to the not-for-profit sector through funding programs under the general authority for making municipal grants provided in Section 83 of the *City of Toronto Act, 2006* (S.O. 2006, c.11). The City supports and sustains the social well being of Toronto's communities by providing funding to not-for-profit organizations under the Community Service Partnerships (CSP) for programs that address its mission to improve social outcomes for vulnerable, marginalized and high-risk communities.

In order to support a stable community services sector and provide opportunities for communities to come together to address issues, CSP operates as an ongoing funding program. While the mission remains constant, the CSP program guidelines and administrative practices are reviewed and modified regularly to respond to emerging issues in the sector. As well, funding patterns are adjusted in relation to changing circumstances such as the economic recession and rising unemployment.

The CSP Guidelines are posted on the City's website at www.toronto.ca/grants/csp. The guidelines define the purpose of the CSP and its relation to City goals. Information is provided about organizational and program eligibility, criteria against which organizations and their programs are assessed, the allocations process, and resources to help organizations with their application.

COMMENTS

Strategic Issues for CSP Allocations

Impact of the recession:

During the assessment and review process, the impact of the recession on levels of need and availability of resources was considered at both the applicant level and service sector level. Information on funding patterns and risk factors was shared with other funders in order to understand the overall climate, especially for small and medium size organizations. Consultation with other funders and ongoing sector research provided CSP with information to understand constraints and ensure appropriate alignment of resources through the new and increased recommendations presented in this report.

In addition to seeking additional funding to respond to growing needs in their communities, organizations are looking at other strategic responses to the recession. In the past year, the number of organizations undergoing mergers or considering mergers has increased, some as a direct result of the organizations' understanding of their funding challenges. Subsequent to submitting a 2009 application, one organization made the decision to close entirely. In some cases, organizations are drawing down reserves to meet operating budget shortfalls.

The ability of organizations to raise significant income through donations, foundations and productive enterprises is becoming more variable and, in many instances, more limited. A group of organizations that may be at risk for closure as a result of funding changes, fundraising shortfalls and lack of reserves has been identified through the review process. During 2009, additional support and monitoring will be undertaken with organizations where viability may be compromised as a result of changes in fundraising ability. These organizations include those identified as having: a) no other government funders; b) lack of diverse funding sources; c) reserve levels less than one month of operating costs (including organizations with debt); d) lack of budget resources to hire staff; e) changes in funding from previously stable funding sources.

Changes in other government and private sector funding programs during this period also give rise to changing abilities of organizations to maintain program levels or address increased need. The CSP risk management framework includes the goal of working to ensure the ability of funded organizations to use the funds for the purpose of approved programs in the community. Where the impact of the recession may place programs or organizations at risk, staff will work with organizations to develop options including partnerships, mergers or others that can work to preserve resources for the community as opposed to preserving organizations. CSP does not have the funding capacity to fill funding gaps for organizations that are facing viability issues related to funding shortfalls.

Strong financial management skills, governance structures and volunteer programs are essential tools for organizations in times of significant change. Recommended allocations in this report reflect the approach of increasing support to existing CSP partnership organizations for programs that address key strategic areas: support to vulnerable communities; opportunities for engagement; and maintaining strong infrastructure. This approach supports CSP's role as an intentional funder, strengthening key strategic

resources in the community, and avoids being a funder of "last resort" trying to address all types of recession-related shortfalls.

Community Partnership Strategy:

In December, 2008 Council approved the report "Development of the Community Partnership Strategy" which provided direction to allocate the $600,000.00 requested in the 2009 CPIP budget for CSP to the expanded priorities of:

a. core administration funding that supports the ability of community organizations to engage residents and build partnerships;
b. program funding that supports the participation of vulnerable residents in engagement opportunities;
c. community development programs that allow vulnerable residents and neighbourhoods to identify needs, assets and opportunities and to act on them; and,
d. funding to strengthen the human resource base in organizations, particularly in terms of their ability to engage with residents, businesses, governments and other partners.

In keeping with these priorities, CSP recommendations have been made for additional core administration funding requests, community engagement and community development programs, and community service programs to enhance the ability to work with a community development approach in addressing local service needs. An overview of how the recommendations reflect these priorities is provided in the Allocation Recommendations section of this report.

Streamlining:

The implementation of streamlining for partnership programs within CPIP has resulted in changes for applicant organizations as well as changes in the process for allocation recommendations. City Council has delegated the approval of funding within a partnership program to the head of the division that administers the program where the partnership organization's recommended allocation is identical to the previous year's allocation, with the exception of technical adjustments, and where the partnership organization has not requested an increased allocation. In keeping with this change, the allocation recommendations for organizations that have not requested an increase have been approved by the Executive Director, Social Development Finance and Administration. These organizations are included for information in the list of all CSP applicants in Appendix D.

All recommended allocations for new and returning applicants that have requested new or increased funding are listed for Council approval in Appendix A.

Application and Assessment:

Application Process:

During the 2009 application cycle, all organizations submitted their applications on-line through the Corporate Grants Information System (CGIS). Training sessions were provided to new and retuning applicants, and about 95 organizations participated in 8 interactive sessions at St. Lawrence Hall. Additional support was provided by phone and email. The on-line system was available for applicants 24/7 during the application period which began on November 11, 2008, 6 weeks prior to the deadline. Information on the supports available to new and returning applicants was detailed in the report "Eligibility Review of applicants to the 2009 Community Services Partnership Program" approved by Council in February, 2009.

As a result of the report "Options to Streamline and Improve Funding Administration" approved by Council in June, 2008, the application process for returning applicants was modified to change the timing and type of information requested from organizations. The emphasis at the time of application is on information related to essential agency update information and the specific programs being delivered, as well as issues related to program performance and the rationale for new and increased requests. A total of 229 returning applicants submitted requests for 534 programs.

New applications complete a full application consisting of comprehensive organization-wide and program specific information that forms the basis for site visit discussions and assessment against the CSP guidelines. Six eligible new applicants submitted requests for eight programs.

Assessment Process:

The CSP assessment is conducted in two stages. The program and organization must meet all the eligibility criteria and be assessed as having a strong fit and appropriate performance level using the assessment criteria. The criteria reflect the CSP risk management framework and ensure that funding is recommended to organizations with the capacity to appropriately manage and deliver the intended programs.

Once an organization and program have been found to be eligible, the application moves to the assessment phase. Eligible organizations are assessed to determine how well they contribute to the CSP goals and priorities by looking at the organization's capacity to deliver the programs for which funds have been requested. To be funded, the assessment must show that the organization is accessible, effective, resourceful and accountable.

Application Overview:

A total of $15,560,644.86 was requested by 235 organizations under 2009 CSP. A total of $11,645,525.00 (excluding $31,505.00 for appeals and $68,000.00 for locality-based social planning) is available for allocation. Two hundred and twenty nine previously funded organizations and six new applicants submitted 436 program requests and 106 requests for core administration support for a total of 542 specific program requests.

The six eligible new organizations were assessed for support: four of these were determined to be a good fit with the CSP criteria and provide services to communities considered high priority within the CSP equity framework; two were determined to be a lower priority based on the equity framework. Of the six new applicants, two have been recommended for funding in 2009. Both these organizations, although classified as new, have existing CPIP relationships: one new applicant was previously funded as a program of another CSP partner organization and the other has been a longstanding recipient of Minor Recreation funding which is being recommended for transfer to CSP.

Allocation Recommendations:

Allocations Framework:

Within the CSP, organizations apply for program-specific funding. Because the funded programs and services are ongoing, maintaining support to previously funded programs is the first priority in the allocation of CSP funds. Subject to budget constraints, programs funded in one year that are assessed as complying with all of the CSP criteria in the subsequent year are recommended for the same level of support.

In 2009, the CSP budget was increased by 2% to address ongoing issues of rising costs for program delivery in the community services sector. This 2% funding level adjustment has been applied to all returning, eligible programs and is not dependent on an organization's requested amount.

Applications for new program funding, or increased funding for current programs were prioritized using the CSP mission statement and CSP Equity Framework, including considerations of geographic, service and community of common bond equity.

Coordination with other funders -- Elderly Persons Centres:

The Province of Ontario's Elderly Persons Centre funding program was open for new applications in the fall of 2008. Elderly Persons Centres provide social recreation opportunities for seniors geared towards maintaining social supports and healthy lifestyles. Elderly Person's Centre funding is administered by the Ministry of Health and governed by Provincial Legislation, which includes a requirement for municipal level commitments of 20% of the approved budget. The current required level of municipal support is $12,000.00 for existing programs and $12,800.00 for new programs. This opportunity for Provincial funding for community organizations resulted in additional requests to CSP for funding for new and expanded EPC program proposals.

During the application and review process, CSP staff consulted with the Ministry of Health staff to identify options for maximizing resources for seniors through funding allocations and administrative adjustments. In most cases, currently funded CSP organizations providing seniors activities eligible for EPC support are funded at levels higher than the required municipal contribution level identified in the Legislation.

In order to maximize the ability of CSP funding to leverage available resources and provide the maximum level of services to seniors, it is recommended that CSP partnership organizations with approved provincial Elderly Persons Centre (EPC) funding be able to transfer up to 50% of approved funds between programs during the year, subject to approval of the Executive Director, Social Development, Finance and Administration. This will enable organizations to re-align CSP funding to meet the Provincial EPC expectations for municipal contributions with currently funded CSP programs as well as with any additional EPC programs that may be approved by the Province. While this approach will create challenges for some programs where municipal funds support current service levels and costs, it provides the greatest amount of flexibility for community organizations. At the time of the CSP assessment decisions, the results of the Provincial review process were not yet available.

Three organizations (two returning and one new) have been recommended for funding totalling $8,440.00 to increase the level of municipal funding for EPC programs to maximize the funding available from the Provincial program.

Allocation Recommendations:

The total approved budget for 2009 CSP is $11,745,030.00. This includes an adjustment to the 2008 base of $218, 530.00 (2%) for COLA, and an increase of $600,000.00 for new services over the 2008 Approved Budget. Of the 235 total applicants under assessment, 230 organizations (497 programs) have been recommended for a total of $11,645,525.00. Five applicants have not been recommended for funding: four are new applicants and one is a returning organization that ceased operation after the application was submitted.

Of the 230 recommended organizations, 3 Aboriginal and 75 ethno-specific/multi-ethnic organizations and 54 programs serving these populations in other organizations will receive $4,596,702.00, or 39 percent of the total 2009 CSP recommended allocations. This represents a total of 195 programs serving the Aboriginal or one or more ethno-specific community.

Requests for new or increased funding totalled $4,586,704.86. Of this amount $1,824,551.00 was determined to be a high priority within the CSP equity framework. With the available funds, recommendations have been made for new and increased funding totalling $546,025.00. The program requests determined to be high priority that have not been recommended due to lack of funding are identified in Appendix B.

Of the new and increased allocations, $272,400.00 has been recommended for programs serving the city's priority neighbourhoods and $148,605.00 has been recommended for services in suburban neighbourhoods. Other programs working city-wide or downtown have been recommended for $125,020.00. The programs recommended for increases are identified on the individual summary sheets for the relevant applicants, and also listed as a group in Appendix C.

In order to address the ongoing need for core administration support in the sector, 19 returning organizations have been recommended for increased or new support for this purpose. Core administration functions are essential to the effective provision of community programs and the accountability requirements that CSP places on funded organizations, and were one of the priorities for the allocation of new CSP funding as approved by Council.

Funding conditions and comments have been applied to some allocations. Conditions and comments serve two functions: first, they are used to ensure funded organizations continue to meet the CSP criteria, while allowing them sufficient time to make required changes; and second, they are used as a tool to encourage organizations to develop in ways that will strengthen their current and future operations.

A total of $31,505.00, or 5.5% of the $577,530.00 CSP funds available for new allocations after the allocation level adjustment of 2%, has been reserved for appeals.

Allocation Type:	No. of Programs	Funds Allocated	Percent of Budget (%)
Recommendations for ongoing support			
Returning organizations --- Maintainance of previously funded programs	416	$10,169,780.00	86.59
Returning organizations -- Maintenance of previously funded Core Administration programs	72	$929,720.00	7.92
Recommendations for increased support			
Returning organization --New programs	3	$44,000.00	0.37
Returning organization--Existing program	53	$359,130.00	3.06
Returning organization – New Administration	4	$45,000.00	0.38
Returning organization – Existing Administration	15	$71,895.00	0.61
New organization-- Program	2	$26,000.00	0.22
New Organization—Administration	0	$0.00	0.00
Locality-based social planning		$68,000.00	0.58
Appeals Fund		$31,505.00	0.27
TOTAL FUNDING		$11,745,030.00	100.00

The attached appendices provide information on specific recommendations to organizations: Appendix A 2009 Community Service Partnerships – recommendations for organizations requesting new or increased funding; Appendix B Programs and Organizations Identified as High Priority and Not Recommended due to lack of funding; Appendix C Programs and Organizations' Summary for Increased or Decreased Allocations; Appendix D 2009 Community Service Partnerships – consolidated list of recommendations and flat line allocations; Appendix E Detailed Organization Recommendations – Summary Sheets.

Allocation Recommendations and Community Partnership Strategy:

CSP funds a large number of programs, falling into several categories of activities: Community Development, Community Support and Core Administration. An overview of what is included in each of these program groupings is provided below, as well as a chart showing the impact of allocation recommendations on service capacity in each of the groupings.

Community Development (CD): Programs that work with vulnerable residents and neighbourhoods to identify needs, assets and opportunities and act on them are included in this program grouping. CD programs are those where the primary activities support community development, and include a range of programs including community planning, engagement with seniors or youth or women or the wider community, and neighbourhood or ethno-cultural community development processes. A key hallmark of community development programs is that the issues or approaches may change from year to year, based on the expressed issues of participants and the changing social environment of the focus community. While all CSP programs are expected to operate with a CD approach and engage people in a variety of governance and service activities, the CD grouping includes programs where the activities are entirely dedicated to the process of community development, community engagement and community planning.

Community Supports: Programs that support vulnerable residents or groups through participatory program models to meet their needs for information, inclusion, resources, social support and personal development are included in this program grouping. Key program categories within this group include senior's social supports (e.g. Elderly Persons Centres), children and youth services (e.g. boys and girls clubs), support groups for women, food security programs (e.g. community kitchens), as well as information and intervention programs that assist people to access resources and resolve personal crises.

Core Administration: Funding for core administration covers functions performed by the executive director, bookkeeper and volunteer coordinator; the preparation costs of the Annual Financial Audit; general office expenses and activities that build and sustain the capacity of the organization in governance, membership, human resource management, financial accountability and volunteer development.

Program area	Total number of funded programs	Number of new and increased programs	Increase allocation amount over 2008
Community Development	77	9	$72,670
Community Support	344	49	$356,460
Core Admin	76	19	$116,895.00

CSP relationship to City initiatives:

CSP funding provides a key resource for local neighbourhoods and communities of common bond to address local issues, many of which correspond to priorities being addressed through city initiatives and services.

Within CSP funded organizations, members, volunteers and local residents are actively engaged in making their neighbourhoods welcoming, safe and engaging places to live. Opportunities for community engagement include membership in the organization, providing leadership through participation on the board of directors, sharing time and skills within agency services, developing opportunities in the community for dialogue and problem solving, volunteering on committees or providing services. Funded organizations reported the involvement of 43,140 service and governance volunteers during 2008.

In addition to the impact of direct services provided by funded organizations, CSP funding supports the employment of 1,446 full time equivalent positions, and helps leverage $7.80 of funding from other sources for every $1.00 of CSP allocation.

	Recommended programs
Volunteers	43,140
Full time equivalent staff	1,446
Total of program budgets	$90,727,818.80
CSP funding leverage	1 : 7.8

Locality based social planning:

Beginning in 2006, funding was provided from the CSP envelope to facilitate Regent Park Neighbourhood Initiative (RPNI) activities, capacity development and sustainability. Although funding was approved for a 3 year period (2006-2008) with annual renewals, the need for RPNI leadership continues. In order to facilitate the ongoing resident engagement related to revitalization and the Social Development Plan, particularly components such as welcoming new and returning residents and facilitating collaborative initiatives between various ethno-cultural groups in the community, it is recommended that RPNI be approved for a fourth year of funding of $68,000.00 for the period July 1, 2009 to June 30, 2010. In order to receive the 2009 funding, the

organization must work with Dixon Hall or another approved trustee, and provide documentation on their activities satisfactory to the Executive Director, Social Development, Finance and Administration.

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SIGNATURE

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ATTACHMENTS

Appendix A: 2009 Community Service Partnerships – recommendations for
              organizations requesting new or increased funding
Appendix B: Requests for Increases Identified as High Priority and Not
              Recommended due to lack of funding
Appendix C: Summary of Increased or Decreased Allocations
Appendix D: 2009 Community Service Partnerships – consolidated list of
              recommendations and flat line allocations
Appendix E: Detailed Organization Recommendations – Summary Sheets