



## STAFF REPORT ACTION REQUIRED

### Community Service Partnerships Program – 2010 Allocation Recommendations for New and Increased Requests

<b>Date:</b>	June 8, 2010
<b>To:</b>	Community Development and Recreation Committee CPIP Appeals sub-Committee
<b>From:</b>	Executive Director, Social Development, Finance and Administration
<b>Wards:</b>	All
<b>Reference Number:</b>	

#### **SUMMARY**

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Community Service Partnerships (CSP) program provides ongoing support to not-for-profit organizations that work to improve social outcomes for vulnerable, marginalized and high-risk communities. This report provides recommendations on 1) 2010 Community Service Partnerships (CSP) program funding to organizations making new and increased requests for support, and 2) 2010 Food Security funding allocation recommendations, as a result of the merger of the Food Security program with CSP starting in 2010.

Within CSP 105 returning organizations requested \$9,848,225.00, including \$3,947,594.00 in new support for 206 programs (150 service programs and 56 core administration requests). These 105 organizations are recommended for allocations totalling \$5,932,425.00 to 1) maintain their ongoing programs at the 2009 level, adjusted for a 2% economic factors increase and 2) fund 19 new or increased programs (16 service programs and 3 core administration recommendations totalling \$145,520.00). An amount of \$14,735.00 has been held for appeals.

The 2010 Food Security funding budget of \$312,120.00 is recommended for one-time funding for 12 projects serving 13 priority neighbourhoods and one revitalization neighbourhood.

## **RECOMMENDATIONS**

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

1. City Council approve 2010 CSP allocation recommendations totalling \$5,932,425.00 for 105 organizations requesting new and increased funding, including \$145,520.00 for 19 new or increased programs as recommended in Appendices A and E; and an amount of \$14,735.00 be held for appeals;
2. City Council approve the 2010 one-time food project allocation recommendations totalling \$312,120.00 for 12 projects as recommended in Appendix D, for the period July 1, 2010 to December 31, 2011, subject to the organizations providing updated budgets and supporting documentation, satisfactory to the Director, Community Resources;
3. City Council delegate authority to the Executive Director, Social Development, Finance and Administration to re-allocate 2010 CSP funds that are not used by approved organizations as a result of organization closures, program closures or inability to meet CSP funding conditions, to another CSP approved organization, and that any re-allocation be reported to City Council in the 2011 CSP allocation report;
4. City Council approve the program policy for in-year transfers so that CSP funded organizations may transfer up to 50% of an approved CSP program allocation for programs providing social recreation for seniors, within the funding period, subject to the approval of the Director, Community Resources:
  - 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 Partnership and Appeals Subcommittee meeting of June 29, 2010 for the purpose of hearing appeals;
6. the Executive Director, Social Development, Finance and Administration submit a report on the Community Service Partnerships Program – 2010 New and Increased Requests Appeal Recommendations directly to the July 6<sup>th</sup> City Council meeting for its consideration.

### **Financial Impact**

The Community Partnership and Investment Program (CPIP) 2010 approved Operating budget for the Community Service Partnerships program is \$11,986,050.00. This report recommends that \$5,932,425.00 be allocated to 105 CSP applicants that submitted

requests for new programs or increased funding for returning programs. An amount of \$14,735.00 has been held for appeals. Under the approved streamlining policy for grants, the group of 121 organizations requesting flat-line allocations for 252 programs has been approved by the Executive Director, Social Development Finance and Administration, for allocations at the previous year's level, adjusted for a 2% economic factors increase. The amount allocated to maintain the funding for organizations requesting flat-line allocations is \$6,038,890.00.

Three programs recommended for funding in this report are recommended for allocations for a six month period, July 1, 2010 to December 31, 2010, to correspond to the organization's fiscal year. For the 2011 year, these organizations will be funded for a full 12 month year, resulting in a forward pressure of \$70,000.00. This amount is within the usual rate of attrition for the CSP program.

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

## **DECISION HISTORY**

Community Service Partnerships 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 November, 2009, Council approved the report "CPIP 2009 Community Services Funding Recommendations and Program Update" which approved the transfer of Food Security Investment funding to the Community Service Partnerships program, starting with the 2010 cycle.

<http://www.toronto.ca/legdocs/mmis/2009/cd/decisions/2009-11-06-cd28-dd.htm>

At its meeting of March 31, April 1, 2010, City Council confirmed the eligibility assessment of new and returning applicants to the Community Service Partnerships program.

<http://www.toronto.ca/legdocs/mmis/2010/cd/reports/2010-03-12-cd31-cr.htm>

## **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, rising unemployment or changing City goals. The Community Partnership Strategy is being developed to provide a comprehensive planning framework for assessing local priorities and allocating resources, further strengthening the CSP's ability to improve social outcomes for communities in need.

The CSP guidelines are posted on the City's website at [www.toronto.ca/grants/csp](http://www.toronto.ca/grants/csp). The guidelines define the purpose of the CSP and explain the organizational and program eligibility criteria against which organizations and their programs are assessed. Information is also provided about the allocations process and resources to help applicants with preparing an application.

## **COMMENTS**

### **Strategic Issues for CSP Allocations**

Challenging funding environment:

CSP applicants include many organizations that are struggling with issues of ongoing viability. These issues arise from a range of circumstances including internal management factors such as staff retention, board capacity and ongoing risk assessment, and external factors such as changes in funding patterns, community needs and sector compliance requirements. The fundraising climate has been particularly difficult over the last several years, and organizations without diverse funding sources and sufficient reserves have struggled to maintain program and service levels. As well, the impact of the recession continues to be felt by organizations in terms of increased community need for services.

The Eligibility Review and Status Report – 2010 Community Service Partnerships Applicants, included information about two organizations funded through CSP in 2009 that closed their doors during the year. Staff continue to identify organizations at risk of closing due to loss of funds or performance issues, and continue to work with community partners to support the continuity of program delivery to the community where appropriate. Program transfers and organization mergers, as well as new models of shared administration are options that support ongoing access to strong programs when organizations are in difficulty. As part of the approach to strengthen CSP organizations, assessments include discussions with board and staff members about areas where improvement and attention are needed. These areas may be reflected in the organization's summary sheet comments and conditions.

## Coordination with other funders -- Elderly Persons Centres

The Province of Ontario's Elderly Persons Centre funding program was open for new applications for the 2009/10 and 2010/11 funding years. 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. This opportunity for Provincial funding for community organizations resulted in additional requests to CSP for funding for new and expanded EPC program proposals in each of the last two years. During the application 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 CSP approved funds between programs during the year, subject to approval of the Director, Community Resources, 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 receive Provincial approval. This change in the guidelines was approved for the 2009 year, and is recommended to be a permanent change to the guidelines to reflect the ongoing challenge of meeting the requirements of the legislation in the absence of corresponding increases in CSP budgets. 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 for 2010/2011 were not yet available.

## Assessment and Allocation recommendations

### Assessment process:

The CSP assessment is conducted in two stages. The program and organization must meet 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. The results of the 2010 CSP eligibility review were reported to City Council at its meeting of March 31, 2010. Staff work with organizations throughout the year to provide support, in particular with organizations where performance or funding viability issues are evident.

### Application Overview:

In 2010, 226 returning organizations submitted applications for 509 programs. Of the total applications, 105 submitted requests for new and increased funding: this group of applicants is the subject of this report, and the details of their requests are included in Appendices A and E. The amount of funds available to respond to new and increased requests is \$160,255.00, of which \$145,520.00 is recommended for allocation as described in Appendix A. An amount of \$14,735.00 has been held for appeals.

A total of 121 organizations submitted flat line requests for funding, and under the streamlining policy, these applications have been approved by the Executive Director, Social Development Finance and Administration. Details of the assessment and allocation results for those organizations that applied for flat-line allocations are found on the City's website at [www.toronto.ca/grants/csp](http://www.toronto.ca/grants/csp).

### Allocation Framework and Priorities:

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 2010, 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 the organization's requested amount.

Applications for new program funding, or increased funding for current programs were received from 105 organizations totalling \$3,947,594.00. These requests were prioritized using the CSP mission statement and CSP Equity Framework, including considerations of geographic equity, service equity and community of common bond equity. CSP also recognizes the significant role that community development programs and core administration funding play in maintaining responsive, strong organizations and

community infrastructure. Of the new and increased recommendations detailed in this report, nine are directed to these priorities: six community development and three core administration, for new and increased funding of \$79,865.00. Core administration functions are essential to the effective provision of community programs and the accountability requirements that CSP and other funders place on organizations. Community development programs are key resources for neighbourhood engagement, and work to ensure the community has the ability to respond to changing needs and opportunities to leverage other resources.

Recommendation summary for new and increased requests:

Returning Organizations Requests	Number of programs	Funds recommended	Percent of budget
New programs	5	\$85,000.00	0.69%
New core administration	1	\$5,000.00	0.04%
Increase to programs	11	\$48,655.00	0.40%
Increase to core administration	2	\$6,865.00	0.06%
Total new and increased recommendations	19	\$145,520.00	1.18%

The submissions from organizations requesting new and increased funding also included other programs where no additional funding was requested. These flat-line programs are also included in this report for information and approval. The 105 organizations included in this report submitted total funding requests of \$9,848,225.00 for flat line programs and new/increased program requests. An amount of \$5,932,425.00 is recommended for these organizations which will maintain their flat line programs at the same level, and increase 19 programs by the amount of \$145,520.00.

Summary of recommendations for 105 organizations with new and increased requests—all programs:

	Number of programs requested	Funds requested-total	Number of programs recommended	Funds recommended-total
Service programs	231	\$8,486,167.00	217	\$5,410,885.00
Core	69	\$1,362,057.00	40	\$521,540.00

Total	300	\$9,848,225.00	257	\$5,932,425.00
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Within the total CSP portfolio of 226 organizations, 3 Aboriginal and 73 ethno-specific/multi-ethnic organizations, and 57 programs serving these populations in other organizations will receive \$4,705,349.00, or 38 percent of the total 2010 CSP recommended allocations. This represents a total of 196 programs serving the Aboriginal or one or more ethnospecific communities.

The attached appendices provide information on specific recommendations to organizations: Appendix A: 2010 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: 2010 Community Service Partnerships -- Consolidated List of New and Increased Recommendations and Flat-line Allocations; Appendix D: 2010 One-time Food Project Funding; Appendix E: 2010 Community Service Partnerships – Detailed Summary Sheets for Organizations Requesting New or Increased funding

Re-allocation of unreleased 2009 funding:

In October, 2009 CSP reported that staff were working with four organizations where the full amount of the 2009 funding was not likely to be released. Two organizations were able to meet the required conditions and their approved funding was released, and two organizations closed down during the year. Council approved delegated authority to reallocate unexpended funds to other CSP recipients. A portion of the un-expended CSP funds were allocated to the following organizations:

- ✓ Working Women Community Centre, \$23,078.00 for time-limited support for organizations in the Don Mills Sheppard area after the closing of Oriole Community Services Association.
- ✓ Vietnamese Women’s Association: \$5,586.00 to address a grant annualization issue arising from a change in the organization’s fiscal year.

These funds were provided as one-time allocations and do not change the recipient organization’s flat-line funding levels within the CSP program. These organizations will report on the use of these funds within their regular year-end report for the 2009 funding year. Given the potential for organization difficulties in 2010, this report requests delegated authority again for 2010 in order to reallocate unexpended funds resulting from changes in organization status.

Food Security:

At its meeting of November, 30, 2009, Council approved changes to the administration of the Food Security funding to include it within the CSP partnership program. This change recognizes that food security is a key community activity and integrated into many multi-



service organization's work. In 2010 CSP funded 41 food related projects in 33 returning organizations for a total funding amount of \$995,410.00. Of the 105 organizations listed in this report, six provide food programs during the current year with previously approved FSIP funding. This information appears on the summary sheet as part of the process of merging the two programs.

Prior to 2010, FSIP and CSP operated on different funding timelines, and the alignment of the program funding years has resulted in a one-time amount of \$312,120.00 being available in 2010 to allocate to one-time food related projects. The ongoing programs have been approved for their current fiscal year activities with FSIP 2009 funding, previously approved by Council. In 2011, the FSIP budget will be allocated within CSP and provide for ongoing partnership funding for programs as approved by Council.

Working through SDFCA community development staff, one-time project requests were solicited for activities that would advance the food related work already underway in priority and redevelopment neighbourhoods. Requests were received from 13 priority neighbourhoods and one redevelopment neighbourhood (Regent Park), and project descriptions are provided in Appendix D. The projects were assessed to determine their fit with best practices for program development, food security initiatives and impact on the local community.

Twelve projects are recommended that will provide activities in 13 priority neighbourhoods and one redevelopment neighbourhood. The activities will advance the local neighbourhood's food security planning and development, develop new skills and capacities in residents and the sponsoring organizations, and set the stage for integrating food security activities within neighbourhood planning and program delivery. The proposed one-time food projects activities are consistent with recent City initiatives and policy directions, including encouraging Food Friendly Neighbourhoods as described in the Board of Health's Toronto Food Strategy Update report (February, 2010). Learnings from this group of one-time projects will be shared through the existing neighbourhood action work to inform future policy and program directions. The group of recommended projects includes a range of approaches to providing the local coordination and skill development required to animate and develop the activities. The project submissions demonstrated a significant level of preparedness, understanding of the potential for integrating food security and local initiatives, and included a significant amount of in-kind support from local organizations, faith communities and local residents.

The projects requested a total of \$538,683.00. Twelve projects are recommended for a total of \$312,120.00. Due to the limited budget size and the one-time nature of these projects, no appeals fund has been set aside. The recommended allocations and project descriptions for One-time Food Projects are included in Appendix D.

## **CONTACT**

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## **SIGNATURE**

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Lydia Fitchko, Acting Executive Director

## **ATTACHMENTS**

- Appendix A: 2010 Community Service Partnerships – Recommendations for Organizations requesting New or Increased funding
- Appendix B: Requests for New or Increased funding Identified as High Priority and Not Recommended due to lack of funding.
- Appendix C: 2010 Community Service Partnerships -- Consolidated List of New and Increased Recommendations and Flat-line Allocations
- Appendix D: 2010 One-time Food Project Funding
- Appendix E: 2010 Community Service Partnerships – Detailed Summary Sheets for Organizations requesting New or Increased funding