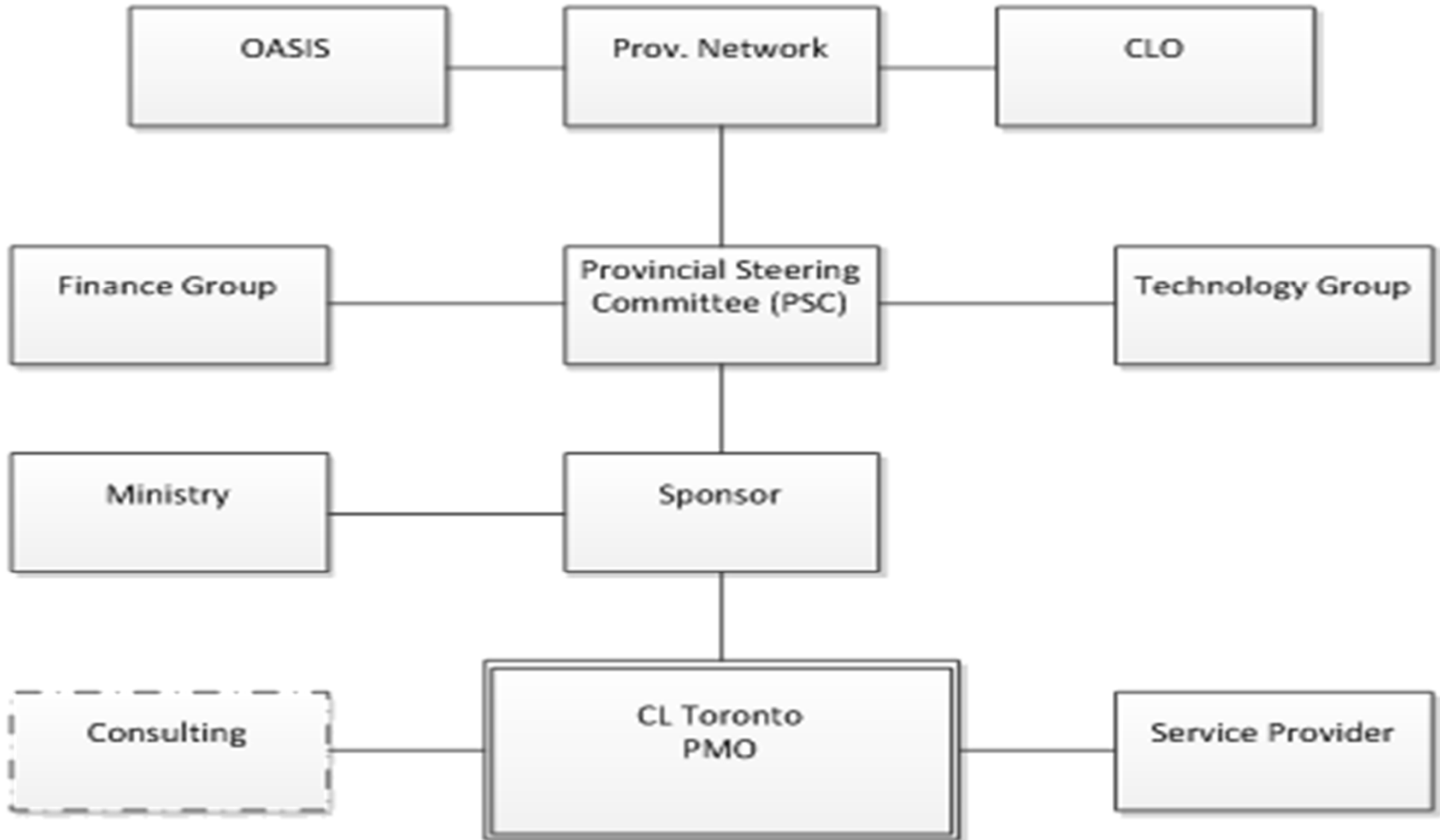# INDIVIDUALIZED BUDGET PROJECT

UPDATE JUNE 2017

GOVERNANCE

DELIVERABLES WORKSHEET RELATED

- **BUDGET WORK**
- **2016-17**
- Individual Budget Template – for use by ministry and sector
- Policy recommendations around budget template
- Recommendations around Data elements that need to be reported –those that are not covered by DS CIS
- Template for view by individuals and their families
- Template(s) and methodology for use by sector to breakdown service contracts into individual budgets
- Conduct as much preliminary testing as possible and share results
- Keep CLO, OASIS, Network, Ministry informed on the project
- Develop Initial report for review by stakeholders and then submit to ministry
- **2017-18**
- Explore and resolve –Vacancy Factor, and Family view- incorporate into report
- Education and feedback through OBRC/DSFG meetings
- Expanded testing by more agencies and sharing of results with sector
- Keep CLO, OASIS, Network, Ministry informed on the project
- Develop report for review by stakeholders and then submit to ministry

WORKSHEET RELATED

Individual Budgets		
Create IB Format	Determine Data Elements	Breakdown Service Contract
• **Review templates;** • **Select, build**	• Hours of Support; • Intensity; • Admin.	• Build template(s); • Develop Individual Budgets; • Test • Detail Codes: 8847, 9110, 9112

DELIVERABLES
ONLINE TOOL RELATED

- **ONLINE TOOL**
- **2016-17**
- Contract with Vendor in compliance with BPSAA
- Consolidate seed projects – MDP passport, MDP residential self-directed, MDP-residential into suite of online tool for 2016-17
- Testing and roll out based on work done by finance workgroup and requirements from technical group
- Project oversight using a recognized expert vendor
- **2017-18**
- Expand tool to include passport enhancements approved by the ministry
- Build proposal management (Case/Budget tracker) as a standalone unit
- Connect the all tools via data portability
- Testing and rollout based on work done by finance workgroup and requirements from technical group

ONLINE MODULE

Online Module
Residential Agency • **Upload Budgets;** • **Upload Actuals**   **Uses data portability**

PROPOSAL MANAGEMENT

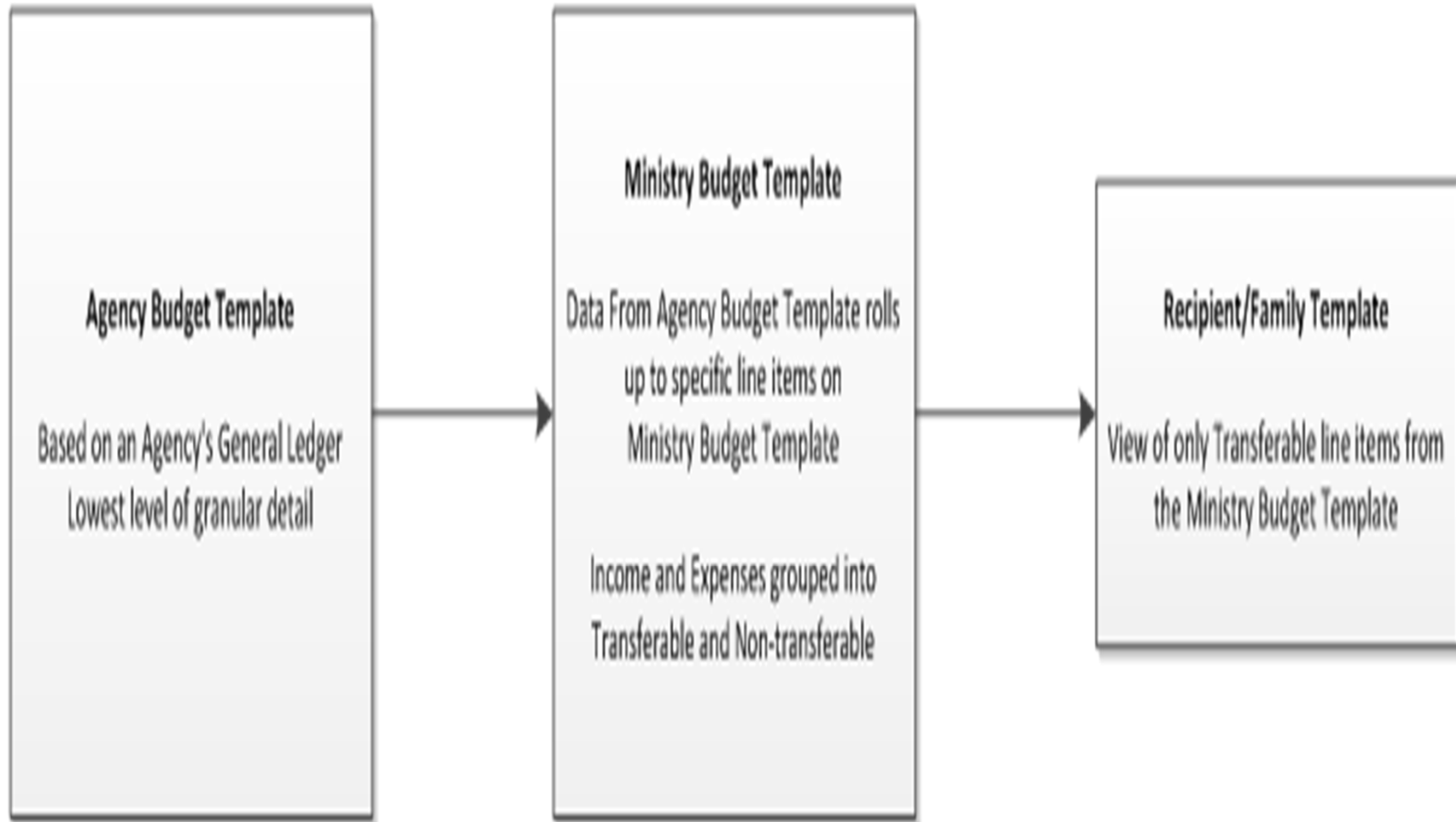| Standalone Module |
|---|
| **Proposal Management** |
| • **Post proposals and budget requests for approval by Ministry;**
 • **Retrieve approved budgets;**
 • **Uses data portability** |

STATUS REPORT

Deliverable	Achieved
IB Related:	
▪ **IB format – 'Ministry Budget Template' for use by Ministry and agencies across the Province and 'Recipient View'**	X
▪ **Development of Individual Budgets (by Finance Group member agencies as a pilot)**	2017/18
▪ **Breakdown Service Contract – 'Agency Budget Template'**	X
▪ **Data Elements**	X
▪ **Financial Policy (Deferred Funding, Accruals, and Multi-year Funding)**	X
Online/technology Related part of MDP suite:	
▪ **Passport**	X
▪ **Residential Individual**	X
▪ **Residential Agency***	X
Standalone Module	
▪ **Proposal Management**	2017/18

BUDGET TEMPLATE

	Category	Fiscal	Annual	Fixed or variable	%	Transferrable/Non-transferrable	What's included
Offsetting Revenue	Offsetting Revenue-OOSP	$ -	$ -			Transferrable	OOSP collected from individuals
	Offsetting Revenue-Other fees	$ -	$ -			Transferrable	Other fees collected from individuals
	Offsetting Revenue-Other if applicable	$ -	$ -			Non-transferrable	Other applicable revenues
Direct Service Cost	Salaries and Benefits	$ -	$ -			Transferrable	Direct staff salary/wage and benefits & statutory payments
	Cost related to Direct Support Staff	$ -	$ -			Transferrable	Direct support staff's travel cost, training, developments
	Cost related to support individuals	$ -	$ -			Transferrable	Purchased services (therapist, psychologist, tutoring), Contract labour support the individual, Food & other personal needs, Program supplies equipment, Travel or transportation related to individuals, Social Recreation cost
	Staffing Re vacancy adjustment						
	Cost of vacancy/adjustment for vacancy and congregation						
	Startup Cost not transferrable costs	$ -				Non-transferrable	FISCAL ONLY: Furniture, Renovation, all other one time cost for start up
Indirect Service Cost	Deferred revenue for property repairs and replacements		$ -			Non-transferrable	ANNUAL ONLY: Amount to be set aside for future acquisition and/or replacement of existing property
	Building Occupancy	$ -	$ -			Non-transferrable	Rent, Mortgage, Utilities cost, Property taxes, Repairs & Maintenance rel cost
	Insurance	$ -	$ -			Non-transferrable	Property, Liability, Auto insurance
	Program Support and QA&RM					Non-transferrable	Costs related to interaction with the individual and direct supports to th individual's services. Costs related to Service Quality Assurance & Risk Management. It may includes; Salary & Benefits, Travel, Communication Training and Occupancy & Overhead cost, Office expenses, Transportati related to such staff. Professional fees, Technology costs related to supporting the program
	Allocated Central Adminstration cost					Non-transferrable	Allocated Central Adminstration cost
	Total	$ -	$ -				

PROCESS FLOW

Agency Budget Template

Based on an Agency's General Ledger
Lowest level of granular detail

Ministry Budget Template

Data From Agency Budget Template rolls
up to specific line items on
Ministry Budget Template

Income and Expenses grouped into
Transferable and Non-transferable

Recipient/Family Template

View of only Transferable line items from
the Ministry Budget Template

RECIPIENT VIEW 1

	Category	Fiscal	Annual	What's included
Offsetting Revenue	Offsetting Revenue-ODSP			ODSP collected from individuals
	Offsetting Revenue-Other fees			Other fees collected from individuals
Direct Service Cost	Salaries and Benefits			Direct staff salary/wage and benefits & statutory payments
	Cost related to Direct Spport Staff			Direct support staff's travel cost, training, developments
	Cost related to support individuals			Purchased services (therapist, psychologist, tutoring), Contract labour to support the individual, Food & other personal needs, Program supplies and equipment, Travel or transportation related to individuals, Social Recreation cost
Total Direct Funding		-	-	

Services Purchased	Unit (per Week/Month/Year)	Support hours	Description
Residential Support			
Day program			
Community Participation			
Other			

RECIPIENT VIEW 2

Category		Fiscal	Annual	What's included
Total Transferrable Funding		-	-	
Services Purchased	Unit (per Week/Month/Year)	Support hours		Description
Residential Support				
Day program				
Community Participation				
Other				

VIEW IN MDP

DATA ELEMENTS COMPLIMENTING DSCIS

Statistical Reporting		
Measures	**Individualized**	
Service Description	Service Language	English/French/Other
	Case Mgmt.	Yes/No
	Psychological	Yes/No
	Service Psych Ass	Yes/No
	Speech Therapy	English/French/Other/NA
	Changing Need	Yes/No
Service Utilization	Expected Service Da	?
	Service Days/Hours	0-365

POLICY RECOMMENDATIONS 1

- The adoption of a business approach to accounting and financial reporting consistent with GAPP (Generally Accepted Accounting Principles) which recognizes the use of depreciation and amortization, accruals, deferrals and reserves for multi period activities. Currently agencies are required to use a modified accrual basis which does not allow agencies to properly match funding to expenses.
- **Individual budgets are approved throughout the year. While direct funding costs are incurred immediately indirect program support costs and administration costs cross fiscal years. These costs are incurred when a critical mass is reached. It is therefore important that these costs be allowed to be deferred till they are expensed to allow for matching revenues with expenses in compliance with GAAP.**
- **Portability allows for movement of transferrable direct funding and not the entire funding**
- Agencies will continue to declare vacancies to their local DSO (Developmental Services Ontario) along with the non-transferrable portion of funding attached to that vacancy. Any budget negotiations will always consider the non-transferrable portion that stayed with the agency. If after a reasonable amount of time it is determined that a vacancy cannot be filled, the non-transferrable portion of the funding may be requested to be returned to the Ministry permanently.
- **Agencies be permitted to include a "Vacancy Adjustment" as a non-transferable item on the individualized budget.** Agencies recognize that at most program locations (i.e. Supported Group Living Residence, Community Participation program etc.) a set amount of staffing must be maintained, regardless of how many people live in the home or attend the program. For example, a group living residence will need at least one night staff if 3 people or 4 people live at the home. By allowing agencies to ensure that a program can be viable with less people temporarily until the vacancy is filled helps maintain the stability of the sector. These funds would be included in the non-transferrable portion of the funding that is shared with the DSO and therefore would reduce the costs of the person coming in to fill the vacancy. Therefore, the "Vacancy Adjustment" would always be allocated to direct support costs.
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POLICY RECOMMENDATIONS 2

- An individualized budget is representative of the person's support needs on the day it is determined. People's support needs and requirements can, and often do, change for any number of reasons (i.e. health issues, age, support location etc.). Some agencies currently manage these changes by pooling resources together. Once the process moves to individualized funding and individual funding amounts are made public – agencies may have less ability to be responsive to changing needs.

- Regional differences will affect the amount of individual budgets due to differences in housing costs and staying competitive with salaries and benefits. This may result in what some may perceive as an inequality in the cost of services around the province.

- What level of detail is expected to be provided to people supported and their families? Many agencies are already operating on very tight administrative budgets. It should be acknowledged that the cost of keeping track of individualized costs and hours of support potentially will reduce the level of support that is provided directly to the person because of the additional administrative requirements. It could be recommended that costs are reported on a per diem basis – based on budget – not on actual hours of support.

NEXT STEPS 2017-18

- **Work plan for 2017-18**
- April 7th –Steering committee meeting- review and finalize draft report
- June- will connect with Northern region ED to provide information about project and recruit testers for the worksheets
- OBRC Meeting – June- review project report and recruit testers for budget worksheet and breakdown of service contract-end to end testing
- June Meeting with CLO/OASIS to present report and seek support
- May/June expand on concepts –Vacancy factor and Family view
- June - submit report to ministry on behalf of sector
- June-DSFG meeting- education session on the worksheets, update on online portion of the project, recruit testers
- September Steering committee meeting- update on report and end to end testing results
- September OBRC meeting- review results of sector testing
- September –DSFG meeting education session on the worksheets, update on online portion of the project, recruit testers and review results of testing to date
- December Steering committee meeting- update on report and testing results
- March 2018 Steering committee meeting- Release report