



Report To:	Manitoulin-Sudbury DSB Board
From:	Donna Moroso, Director of Integrated Social Services and Gilles Plouffe, Ontario Works Program Supervisor
Date:	May 23, 2013
Re:	Ontario Works Funding – Issue Report

REPORT

Recommendation

The Manitoulin-Sudbury DSB calls upon the Ministry of Community and Social Services to continue to work with AMO to refine the new Ontario Works funding approach.

Purpose

The purpose of this report is to provide the DSB Board with an update on the new Ontario Works Funding and what impact it will have on DSB program delivery.

Background

On February 24th 2011, the Director of Integrated Social Services presented to the board the [Ontario Works New Funding Model](#) for 2011-2012 and 2012-2013. During that time, the Province provided transition funding for the first two-year funding cycle to Ontario Works delivery agents that saw a decrease in overall provincial funding. In the case of the Manitoulin-Sudbury DSB, the province provided \$191,264 for both fiscal periods (2011-2012 and 2012-2013).

Analysis & Discussion:

On April 1st, 2013, a new two year funding cycle began. In a [letter dated April 3, 2013](#) the Director of Ontario Works Branch with the Ministry of Community & Social Services outlined the new Ontario Works Transition Funding and the Manitoulin-Sudbury DSB received its Ontario Works program funding allocation.

In the new 2 year funding cycle, the Manitoulin-Sudbury DSB's cost of administration funding will increase from \$745,800 to \$807,525 which represents an 8.3% increase or \$61,725 increase in provincial funding.

The Manitoulin-Sudbury DSB will see its Employment Assistance allocation decrease from \$364,660 to \$348,694 which represents a 4.4% decrease or \$15,966 decrease in provincial funding.

As a result of the new funding formula, the municipal increase is \$54,924 or 6.8% for the Ontario Works program. For the 2013 calendar year the 100% provincial OW transition funding is \$44,000 which will reduce the municipal increase to \$10,924 or 1.4%.

The 2 charts below illustrate the changes in funding:

Provincial Funding Changes				
Funding	2013 Funding Allocation	New Funding Allocation	Variance	% Change
50/50 Cost-Sharing	\$745,800	\$807,525	\$61,725	8.3%
80/20 Cost Sharing	\$364,660	\$348,694	(\$15,966)	-4.4%
Total Funding	\$1,110,460	\$1,156,219	\$45,759	4.1%

Municipal Funding Changes				
Funding	2013 Funding Allocation	New Funding Allocation	Variance	% Change
50/50 Cost-Sharing	\$745,800	\$807,525	\$61,725	8.3%
80/20 Cost Sharing	\$65,897	\$59,095	(\$6,801)	-10.3%
100% Provincial Funding		(\$44,000)	(\$44,000)	
Total Funding	\$811,697	\$822,620	\$10,924	1.4%

Transition funding for the 2014-2015 fiscal year will be phased out at 50% of the 2013-2014 amount. In the Manitoulin-Sudbury DSB's case, the transition funding of \$44,000 for 2013-2014, will be reduced to \$22,000 for 2014-2015.

The Ministry is clear in the message in that they will not continue to further transition beyond this two year funding cycle.

Conclusion

The new Ontario Works funding approach is largely based on a cost-per-case formula which does not adequately take into account the cost and requirement to deliver services in remote or rural areas.

The Manitoulin-Sudbury DSB calls upon the Ministry of Community and Social Services to continue to work with AMO to refine the new Ontario Works funding approach.