APRIL

Association of Programs for Rural Independent Living

CILs deserve a 21st Century Investment

A National Project by the Association of Programs For Rural Independent Living

Introduction

As Centers for Independent Living go about our daunting work seeking to change the world into a place where each of us can participate fully in all that it means to be a full, equal citizen, we often crash abruptly into the reality that the resources available to us do not align with our collective mission.

Whether we represent centers edging up to their 40th birthday, or centers that came of age in the era of ARRA (American Recovery and Reinvestment Act), few of us have what we need to fulfill both our vision for an equitable world, to ensure the quality provision of services federal law demands of us.

For more than 20 years, there has been a consistent and coordinated—and periodically successful—national effort to convince policy makers to increase the level of funding, or public investment, which centers receive.

In years past these efforts, both at the state and federal level, resulted in some increased public investment. But those increases were sporadic, unfocused, and largely inequitable that, in many ways, exacerbated the disparate resources any given center had to comply with the same set of regulations.

Efforts began to try and determine what minimal level of funding any center should have to be able to demonstrate centers were meeting regulatory obligations in a quality and proportionately adequate way.

The minimal level, “base funding” level is what every center needs to maximally serve our diverse populations of people with varying disabilities, and our diverse geographies.

In the mid-1990s a national study was undertaken, nearly identical to the one being unveiled in this report, to tackle the issue of minimal base funding needs. That national effort determined centers should minimally have $250,000 to conduct all of the duties and responsibilities required of centers contained in the standards and assurances and standards and indicators found beginning at Sec. 725 of the Rehabilitation Act of 1973, as amended.

That project set a base funding standard for the first time. And with that standard established the ongoing dialogue with policy makers had, and continues to have, a consistent and justifiable benchmark to carry our movement forward.

Networks of centers, Statewide Independent Living Councils (SILCs), and national organizations adopted the standard. Many places in the nation continue to rely on $250,000 as the base funding standard.

It is past time—long past—to revisit this issue. This report details a 2013-14 national effort to replicate the work of the mid-1990s and carry it forward into the 21st Century.

The base funding standard project

The Association of Programs for Rural Independent Living (APRIL) began the journey of reengaging in this issue during a dialogue with APRIL members at an annual conference a few years ago. The open workshops were designed to engage members in a dialogue on the vexing issues entailed in developing a plan, and consensus within a network of centers and other stakeholders on how to distribute funds across the network as equitably as possible.

Members from across the country passionately engaged in this multi-hour discussion quickly came to a fundamental issue that underlies any effort to talk about network equity and distribution of funds: What is a true center; and assuming the answer to that question can be agreed to, what fundamentally physically makes up the components of that center and what resources are needed to support those components, in other words, base funding.

The APRIL Board, and its national Advocacy Committee, then committed to revisit the issue and determine a modernized minimal base funding standard.

The work of APRIL members engaged in the dialogue referenced above, came up with a worksheet detailing the components of a center and began to determine what resources would be required to support them. The result was in essence a budget template that gave the assigned Advocacy Committee a benchmark to begin to design an instrument and process to solicit information nationally.

Once the template was fine tuned, and other definitions such as “base funding” and “fully functioning center” had been agreed to, a request was made to have access to the data and tools used in the mid-1990s. When that information was provided the analysis showed remarkable comparability.

Through testing by the committee, discussion, and applying needed resources to accomplish this project, the tool and process used earlier became in essence identical to what centers used in this latest 2013-14 effort.

The process, methodology, and the data of the APRIL project are detailed in subsequent sections of this report.

Results

When the Advocacy Committee took on this project after Board approval, there was general consensus that this represented important work and would be worth the considerable effort to do such a national project. There was also a general belief based on the initial work that drove this process that the $250,000 base funding standard set in the 1990s would prove to be wholly inadequate and sorely out of date.

The data reported affirms the general belief of the committee.

Survey results compiled, filtered, analyzed, and tested show:

Base funding standard for centers seeking to adequately and proportionately deliver the four core services, plus two, and fully comply with federal law needs to be $570,000 annually

Methodology

The project was announced and initiated at the APRIL annual conference in Tulsa, Oklahoma, in October 2013. The process, instrument, and project timeline and goals were presented in an open plenary session for all attending the conference.

The instrument, or budget template, features seven (7) domains: Personnel; Employee-Related Expenses; Contract Expenses; Space Expenses; Supplies/Materials; Travel Expenses; Other Operating Expenses. Each of those domains had subset categories making up the domain topic. For example, under Contracting Expenses centers were asked to record actual costs in; Accounting/auditing, payroll/payroll services, legal, accommodations/interpreters, other (Please specify). Each of those domains were then totaled to come to Total Program Expenses, or base for that center.

It should be noted that the tool used in the 1990s had the same seven domains.

Centers were also asked to answer questions regarding their service area whether it was rural or urban, how large, how many counties, and how many square miles.

The survey process was opened in October 2013 and closed in March 2014. Members could access the project and tool electronically through the APRIL website (www.april-rural.org), by requesting hard copies, or by receiving alternate formats. A total of 67 completed surveys were received during the open time period. It should also be noted four (4) completed instruments were submitted with permission following the March closure.

Those completing the survey were assured all data submitted would be kept confidential and no data from an individual center would be used for any other purpose other than to be aggregately analyzed. Each completed survey was reviewed by a single person. That initial review was conducted for survey completeness

A number of submitted surveys were eliminated from the pool for a variety of reasons, such as; partially completing the tool, adding extraneous data sources the center had relating to a budget category but not calculating the “actual” costs, etc…

The remaining surveys (46) were assigned a numerical value and entered randomly into a spreadsheet both electronically and a hard copy version.

Analysis/Sorting

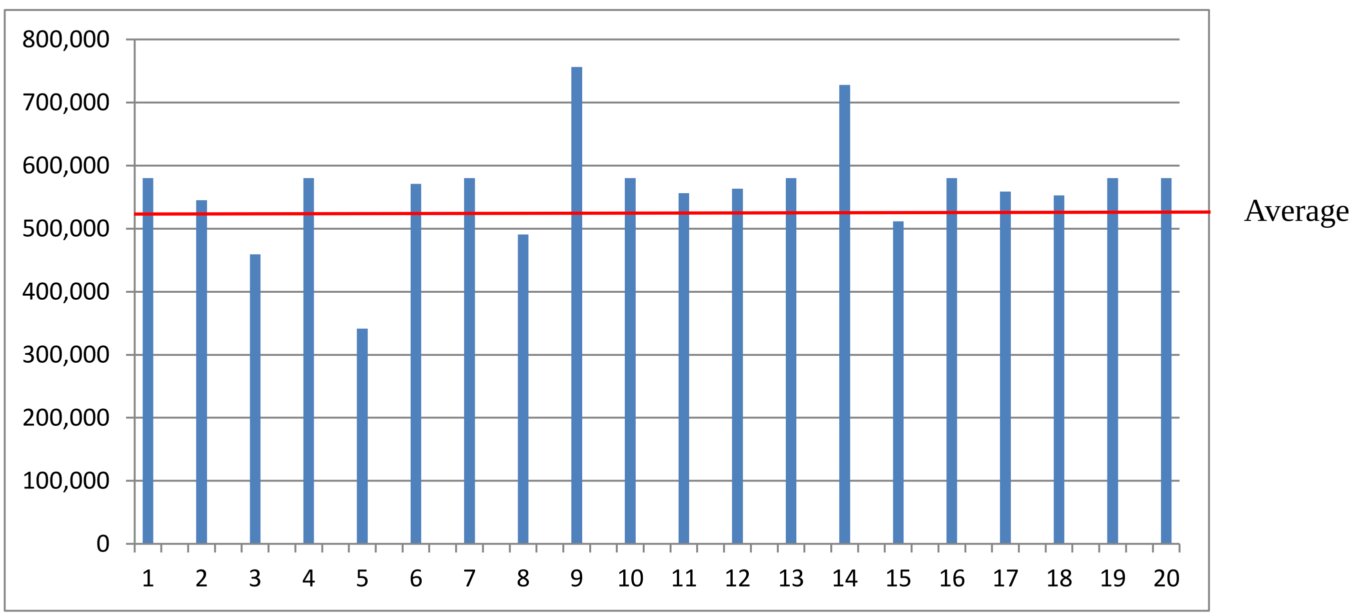
The initial analysis of the data set was conducted by a comparison of the aggregated Total Program Income (base) sum of each entry. That comparison was continued through each of the remaining six domains. Submitted entries in which there was significant variance between a specific domain, space expenses for example, relative to other totals, or the base were highlighted. Those highlighted entries were then reviewed in more detail across all of the submitted budget categories making up the domain. In some cases the only individual who had access to submitted entries followed up with the submitting center to determine how the discrepancy could be accounted for.

The next sorting eliminated all of the highlighted entries. The remaining submissions (24) were then randomly supplied a new numerical value and aggregated. In analyzing the final data set there was a consistent pattern of the total for each domain relative to the Total Program Income, or base, whether or not that total was in the base high range or low range. (The variance for Personnel, for example, ranged from 66% to 56% of base regardless of the actual total costs recorded.)

Before any additional sorting, the average mean for the 24 entries was calculated, and it produced a higher base funding figure than the number included in the results of this report. In the last sorting the entries with the highest Total Program Income, and the lowest were removed from the data set.

The data used to produce the $570,000 minimum base funding standard is detailed in the charts below:

CIL DATA SET



INDEPENDENT LIVING CENTERS

BASE FUNDING DATA

	Personnel Employee I	Expense Contract II	Expense Space III	Expense Supplies IV	Materials V	Travel VI	Other Operating Expense VII		Totals
1	350,195	98,055	25857	52,044	6,250	24,100	23,500		580,001
	60%	17%	4%	9%	1%	4%	4%	100%	
2	323,000	75,600	25000	85,353	13,500	9,500	13,000		544,953
	59%	14%	5%	16%	2%	2%	2%	100%	
3	276,600	55,340	29600	28,050	16,600	17,200	35,667		459,057
	60%	12%	6%	6%	4%	4%	8%	100%	
4	350,195	98,055	25857	52,044	6,250	24,100	23,500		580,001
	60%	17%	4%	9%	1%	4%	4%	100%	
5	218,000	54,500	15997	15,000	7,000	16,123	14,993		341,613
	64%	16%	5%	4%	2%	5%	4%	100%	
6	357,148	82,144	26239	52,000	6,250	23,900	23,500		571,181
	63%	14%	5%	9%	1%	4%	4%	100%	
7	350,195	98,055	25857	52,044	6,250	24,100	23,500		580,001
	60%	17%	4%	9%	1%	4%	4%	100%	
8	274,607	104,350	4306	69,052	10,988	18,200	9,294		490,797
	56%	21%	1%	14%	2%	4%	2%	100%	
9	410,180	93,165	29500	165,168	19,000	29,500	9,900		756,413
	54%	12%	4%	22%	3%	4%	1%	100%	
10	350,195	98,055	25857	52,044	6,250	24,100	23,500		580,001
	60%	17%	4%	9%	1%	4%	4%	100%	
11	294,638	67,776	14212	20,460	5,147	13,923	140,376		556,532
	53%	12%	3%	4%	1%	3%	25%	100%	
12	324,100	79,649	25700	87,390	13,200	10,100	23,000		563,139
	58%	14%	5%	16%	2%	2%	4%	100%	
13	350,195	98,055	25857	52,044	6,250	24,100	23,500		580,001
	60%	17%	4%	9%	1%	4%	4%	100%	
14	434,876	98,282	24060	120,300	11,500	6,091	33,043		728,152
	60%	13%	3%	17%	2%	1%	5%	100%	
15	272,542	103,800	17360	66,242	11,000	18,400	22,314		511,658
	53%	20%	3%	13%	2%	4%	4%	100%	
16	350,195	98,055	25857	52,044	6,250	24,100	23,500		580,001
	60%	17%	4%	9%	1%	4%	4%	100%	
17	294,713	64,836	14094	21,827	5,122	13,927	144,470		558,989
	53%	12%	3%	4%	1%	2%	26%	100%	
18	362,000	76,020	9500	41,800	7,750	36,000	19,500		552,570
	66%	14%	2%	8%	1%	7%	4%	100%	
19	350,195	98,055	25857	52,044	6,250	24,100	23,500		580,001
	60%	17%	4%	9%	1%	4%	4%	100%	
20	350,195	98,055	25857	52,044	6,250	24,100	23,500		580,001
	60%	17%	4%	9%	1%	4%	4%	100%	
Totals	6,643,964	1,739,902	442,424	1,188,994	177,057	405,664	677,057		11,275,062
Averages	332,198	86,995	22,121	59,450	8,853	20,283	33,853		563,753

Inclusive data set (20) $11,275,062 results in a minimum base funding standard of $563,753, or $570,000 rounding up, and to anticipate future inflation.

Of the total submission reflected in the final data set, two were from urban centers, and five reported mix of urban and rural. Three of those considered their mixed service area more rural than urban.
It should be noted the final numbers included in the data base in the mid-1990s also included a total of 20 centers though half were urban and half were rural.

Conclusion/Supporting Data

The result of the original funding project work undertaken more than 15 years ago has borne some successes. Many states, SILCs, and networks of centers used the $250,000 benchmark to seek additional resources, create a floor for discussion and methods to establish values and processes on network equity, establish a process for distribution of new funds, and to decide when and why new centers should be established, to cite some examples.

This work should garner the same discussions and results. The take away from this work is simply:
CILs across the country deserve a 21st Century Investment.

The number generated by this process is also supported by other data. The most compelling supporting data comes from a process economists and other use to calculate the value of good, services, or capital over time. The tool can be found at: http://www.measuringworth.com/ppowerus/

From 1995 to 2012, the value of $250,000, using the measure of what that dollar amount represents as a relative or “real” percent of the Gross Domestic Product (GDP) has risen to an estimated $530,000. Even the most conservative measure (Consumer Price Index) CPI, estimates you would need nearly $380,000 today to equal the value of $250,000 in the past. The chart below shows varying estimates of what $250,000 of 1995 dollars is equivalent to in 2012.

The value of $250,000

In 2012, the relative worth of **$250,000.00** from 1995 is:

$377.000 using the Consumer Price Index

$348,000 using the GDP deflator

$399,000 using value of the consumer bundle

$389,000 using the avg. unskilled wage

$407,000 using the production worker compensation

$450,000 using the nominal GDP per capita

$530,000 using the relative share of GDP