

# **RQ-ACA BASELINE THRESHOLD**

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## **SHARED CALCULATION METHOD**

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For mission-based funding applications  
from autonomous community  
action organizations

Method adopted by RQ-ACA members  
at a special general assembly on October 26, 2022  
**Updated March 2024**

## WHAT IS THE BASELINE THRESHOLD?

The baseline threshold represents the minimum amount of mission-based funding that the government should provide to autonomous community action organizations.

The calculation method that we propose here is based on a desire to meet the average working conditions in Quebec, or in other words, to provide our staff with dignified working conditions.

Did you know?

On average, community workers are paid 33% less than the average hourly wage in Quebec.

Do you know how to calculate the baseline threshold for your organization?

### IMPORTANT!

A baseline threshold is a shared baseline from which you can determine the minimum amount of mission-based funding your organization needs from the government. Each organization is free to adapt and index the calculation tool based on its specific circumstances.

## WHY HAVE SHARED BASELINE THRESHOLDS?

Achieving a significant increase in mission-based funding for all 4,500 ACA organizations means we need to draw on the strength of our numbers and our solidarity.

By supporting our requests with logic and principles, we're able to formulate demands and articulate more coherent arguments with various government bodies and financial partners.

Using shared baseline thresholds is a way of presenting a united front in favour of increasing mission-based funding. We can use our annual grant applications as lobbying tools—on our forms, in letters or in meetings with elected officials.

## HOW WERE THE SHARED BASELINE THRESHOLDS DEVELOPED?

- Hard work by the RQ-ACA intersectoral committee from 2020 to 2022
- Presentations and discussions at several members' meetings
- Preliminary consultations from May to August 2021
- Adjustments and follow-up consultations from March to September 2022
- Adoption of the shared calculation method at the RQ-ACA's special general assembly held on October 26, 2022

## BASELINE THRESHOLDS...

- ▶ don't account for the other two modes of funding included in the Recognition Policy (service agreements and project-based funding).
- ▶ are based on common variables (average salaries, benefits, etc.) that are intended to provide more coherence and solidarity to our collective demands and mobilization efforts.
- ▶ are not intended to impose an hourly rate on organizations or a fixed proportion for payroll vs operations. These are suggestions, and organizations remain completely autonomous in how they use funding.
- ▶ represent the mission-based funding that the organization needs and is requesting.
- ▶ do not consider the additional needs of organizations that have already reached the threshold amount. It is entirely possible to justify additional amounts related to activity development, the context of interventions, or the needs of the populations with whom you work.

## DARE TO ASK FOR MORE!

The government has never cut funding for an organization because it dared to ask for the amount it actually needed. By contrast, an organization that never asks for more will never receive an increase in its funding!

Often, organizations that never ask for anything beyond the amount they typically receive won't benefit from increases when the mission-based program they are funded by receives additional investment.

If we want to finally provide dignified working conditions to our workers, we need to dare to ask for more!

# SHARED CALCULATION METHOD

The RQ-ACA's shared calculation method makes use of the following two components: expenses related to salaries and benefits for workers, and other expenses, such as costs related to operations, activities, democratic life, etc. This method can be used to determine the minimum amount of mission-based funding needed for a local organization, or for all of the organizations in a given activity sector or region. Don't hesitate to get in touch with your umbrella group for specific recommendation for your type of organization.

The major advantage of the RQ-ACA's shared method for calculating a baseline threshold has to do with wage and benefit-related expenses, which are based on average wages in Quebec and the rate of payroll costs carried by the employer.

The only way that we'll obtain the funding we need to provide better working conditions is by collectively demanding it in a united and coherent manner.

## 1. CALCULATING PAYROLL AND BENEFITS COSTS

### 1.1 Determine the minimum number of positions

Organizations must be able to meet a minimum number of staff positions.



**Total payroll costs, including benefits, are based on a minimum of 3 full-time equivalent (FTE) staff positions.**

### 1.2 Determine the cost per position

Organizations must be able to provide dignified and satisfactory working conditions.



**The 2024 baseline thresholds are based on an annual average cost of \$80,573 per FTE position, which is based on the following:**

- Gross annual salary based on an hourly wage of \$34.27 and a 35-hour work week
- Employer payroll taxes and benefits: 12.982% as of January 1, 2024
- Training cost fund, equivalent to 1% of gross annual salary
- Ongoing accessibility fund, equivalent to 4% of gross annual salary, with the exception of housing and shelter organizations, for which it is 15%
- Staff turnover and knowledge transfer fund, equivalent to 1.2% of gross annual salary
- Employer retirement contributions, equivalent to 5% of gross annual salary
- Employer collective insurance contributions, equivalent to 5% of gross annual salary

## 2. CALCULATING OTHER EXPENSES

The proportion of the threshold covering other expenses must allow workers to fulfill the organization's mission. As such, costs related to adequate office space, activities, democratic life, popular education and mobilisation must be covered.



**The proportion covering other expenses (such as operating, activities or costs related to democratic life) is between 10-50% of the total threshold amount.**

### EXAMPLE OF THE CALCULATION METHOD FOR A NON-SHELTER OR HOUSING ORGANIZATION

(see: [Calculation tool](#) - The amounts shown here were rounded to the nearest dollar)

Calculating payroll costs, including taxes and benefits			
Numb. of positions	<input type="text" value="3"/>	X	Cost / position
	(Minimum 3)		<input type="text" value="\$80,573"/>
			(Fixed)
Calculating other expenses			
Payroll costs	<input type="text" value="\$241,718"/>	=	
Other expenses	<input type="text" value="\$161,145"/>	=	<input type="text" value="60%"/>
			(Variable, between 50% and 90%)
			<input type="text" value="40%"/>
			(Variable, between 10% and 50%)

  

<b>PAYROLL COSTS</b>	<input type="text" value="\$241,718"/>
	+
<b>OTHER EXPENSES</b>	<input type="text" value="\$161,145"/>
	=
<b>BASELINE THRESHOLD</b>	<input type="text" value="\$402,863"/>

## 3. INCREASES BASED ON SPECIFIC CIRCUMSTANCES

Organizations may increase their baseline threshold in response to the specific characteristics of their sectors, regions or of the populations with whom they work. For example:

- Material and intervention-based infrastructure;
- the scope of activities that might affect payroll costs;
- the size of the organization, which is likely to affect expenses for its democratic processes;
- the size of the organization's territory and the number of people it reaches, which may affect either category of admissible expenses, depending on the situation;
- for umbrella groups, the number and types of member organizations, the number of regions it covers, the type of support it provides its members, etc.;
- etc.

## 4. IDENTIFYING THE DEMAND



**Once all of the expenses have been calculated, subtract the amount received in mission-based funding to determine the amount you need to demand.**

# QUESTIONS AND INFORMATION

Review the [pre-budgetary 2024-2025 brief](#) from the RO-ACA.

**Have any questions?**

**Need any tools? Or would you like to organize an information session with your members?**

Consult our [website](#) or [send us an email](#).



**For additional support or information**

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