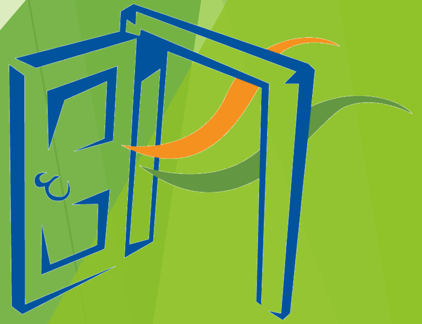
Central Administration & Finance Department (CAF Department)

3-2-1 Board Report – February 2022

Department Overview

- The department operates within RODS and has these essential operations: Management of the RODS' budget and finance, Human Resources, IT and administrative support to other RODS departments, facilities, building repair & maintenance.
  - To oversee all Human Resource functions at RODS, supporting staff and managers on human resource and work-related issues.
  - Assistance in administering employee benefit programs, Saskatchewan Pension Plan and Workers' Compensation Plans.
  - Plan and direct the development of RODS' and departments' operating budget and finance.
  - Provide administrative, accounting and payroll services.
  - Support a stable IT environment and manage IT Security.
  - Facilities management & building maintenance (not including the Reception House)



Regina Open Door Society Inc.

Highlight #1: Ongoing Financial Reporting & Cash Flow Management

- Continue to provide vital financial reports to all decision makers (not just RODS Leadership Team) will allow more timely review of Spending Plans and Cash Flow Forecasts.
- The timely orientation and engagement of the new Finance Manager and Team Lead (pending position review) is central to maintaining these deliverables.
  - Have retained Michael Adedeji as a contractor for 50 hours of support and training to our new Finance Manager
  - Goal is the time sensitive identification and management of slippage.
  - Identify any systemic sources of slippage and implement solutions.

Strategic initiatives:

I2: Strengthen Information Management

S1: Strengthen relationships with traditional funders

Highlight #2: Ongoing efforts to improve environment at Smith Street

- Smith Street Renovations: historical activity
  - Heating & Cooling coils - $30,000.00
  - Lift Pumps in Boiler Room - $6,000.00
  - Air Balancing –$6,000.00
  - Intercom System - $3,235.00
  - Chiller – $165,000.00
- Smith Street renovations: planned and future activity. ON HOLD
  - Replacement of all windows Est. $224,000.00 (2019).

Highlight #2: Ongoing efforts to improve environment at Smith Street (cont`d)

- General internal space upgrades, prioritizing for 2022/23:
  - 2nd floor bathroom renovations (subject to decision of School Boards re. Re-location to Smith St.)
  - Basement storage

  Recommend the development of a long-term capital plan/RODS facilities plan for owned and leased facilities

Strategic initiatives:

S2: Diversify revenue sources

S3: Enhance effective management, utilization and renewal assets

Highlight #3 – Introduction of tools/activities to support HR and Departments:

- Organizational growth has necessitated a review of administrative responsibilities placed on field and operational management
  - Introduction of SmartHire to assist in candidate screening
  - HR provision of direct recruitment and interview support to identified positions at the request of the Department
  - Review and refinement of staff onboarding processes as well as the introduction of additional measures around final candidate screening

Strategic initiatives:

P2: Improve human resource management support and processes

P3: Strengthen leadership capacity

Challenge #1: Year 1 thru 3 of the new IRCC Agreements & Provincial Funding

- RODS completed the negotiation of contracts with IRCC for year 1 of the 5-year CFP in March of 2020 The decision of IRCC not to fund the NWC as well as significant reductions to LINC funding in the notional budget allocations had a ripple effect in not only managing leasehold obligations and owned assets but the allocation of fixed overhead costs. Declines in operating budgets from IRCC impacted the Admin rate and therefore the ability of the department to deliver support and services in the same manner.
- RODS is still awaiting information from IRCC regarding final funding levels for 2022/23. While budgets for the full 5 years were built, we anticipate possible adjustment in budgets to reflect the arrival of additional Government Assisted Refugees (Afghanistan). Salaries continues to be an area of concern with IRCC providing a set 1.5% salary increase in allocations and leaving it up to the agencies to determine if they have budgetary space to allocate funds within their budgets to grid steps.
- In a December 2021 meeting with ICT with the Province of Saskatchewan, RODS expressed its concern over consecutive years of 0% increases and the effect on salary costs, program delivery, operations and ultimately program deliverables. ICT shared that they are hearing this concern from its many CBO partner organizations. The Province, with Federally allocated dollars is providing round 2 of COVID related financial support to agencies to support pandemic related expenditures.

Challenge #1:cont’d

Challenges

- Given the barriers to traditional program delivery posed by the pandemic and their expenditure model, combined with significant under-expenditures in salary budgets in departments, the RODS Admin fee has been eroded significantly in year 2 of the pandemic. Given the many fixed costs and commitments within Admin, as reported at the January Board meeting by former Finance Manager Michael Adedeji, RODS is running a deficit in Admin.

- Based on information we have at the moment, the proposed update of the salary grid will have to be postponed until year 4 of the CFP. While IRCC is allocating a 1.5% increase to salaries, this is less than the Boards 2% increase to the grid prior to any increments/steps in the grid. Budget reductions are challenging to the point that we will only be able to provide a 1.5% increase to the grid, but will be able to allow movement of steps in the current 3 step

Strategic Initiatives:

C2: Enhance programs and services to meet the changing needs of the clients

C4: Strengthen community partnerships to enhance newcomer integration and settlement

P2: Recruit, hire and train qualified staff

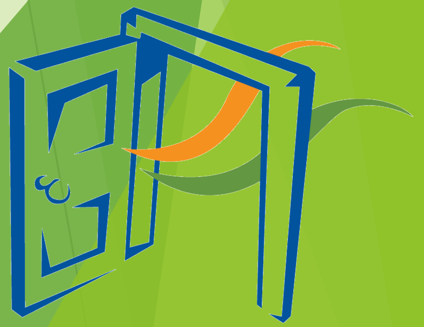
S2: Diversify revenue sources

Challenge #2: Capital Asset Planning

- The organization owns 2 buildings as well as a minimum of 10 vehicles operated by Settlement. There are challenges associated with each.
  - The Smith Street property will be soon underutilized and underfunded as a result of the loss of both Federal and Provincial funding for the NWC as well as reduction in the number of LINC classes operating out of Smith Street (2020).
  - The fleet vehicles used by Settlement no longer receive operating funds from IRCC with the exception of mileage – which is insufficient given that the vehicles are only used in the city and never generate enough mileage reimbursement to cover all of the expenses.
  - Smith Street requires a capital review given pre-existing maintenance needs and wear and tear.
  - The Reception House review is already in process with the Board.

Strategic initiatives:

S3: Augment financial management and risk policies and practices



Hope/Future Goal:

Support the organization in strong financial management.

- To support RODS is managing IRCC & Provincial funding commitments, managing the risk re. liabilities and commitments.
- To begin a high-level review of vendor options for a Constituent Relationship Management (CRM) to support data, information management and future revenue development opportunities. Bring the Management Team up to speed on the benefits and key deliverables from an organizational wide CRM, and in the context of the Strategic Plan, conduct an internal needs assessment and operational priorities as it relates a future organizational CRM.
- Support the Board in reviewing owned assets and establishing a long-term capital plan.

Strategic initiatives:

P3: Strengthen leadership capacity

S3: Enhance effective management, utilization and renewal assets