



DECISION ITEM: Opening RBC Bank Account and Acquiring Credit Cards
BOARD/COMMITTEE: Finance Committee
MEETING DATE: September 28, 2022
AGENDA ITEM:
SPONSOR: Finance Management & Finance Committee

RECOMMENDATION: To recommend the establishment of an account with RBC to facilitate acquiring new RBC credit cards for use by RODS Departments.

SUMMARY OF KEY ISSUES:

- Currently RODS has one credit card through our Financial Institution, ScotiaBank. Repeated efforts over the past 18 months to secure online access to card balances and additional cards has been unsuccessful.
- The single credit card held in Finance is insufficient to accommodate the growing online purchasing, regular monthly ongoing expenses (social media, Zoom) and needs of the Departments to purchase services and materials in real time. (see additional details in Background section below)
- RODS has had an historical relationship with RBC (Employment Program line of credit and Executive Director credit card), and RBC is currently a donor to the Employment Services program as well as providing in kind support and mentorship opportunities.
- Finance Staff have met with RBC on several occasions and have determined that RBC has the services that will allow RODS to provide credit cards to Directors & Departments, with online access to balances, Finance Department management and flexible limits.

BACKGROUND:

- RODS has been managing over the past several years with one central use credit card held in the Finance Department. Departments must provide pre-authorization to the Finance Department to gain access, subject to a confirmation that a balance is available on the card. RODS must either internally track expenses or wait for the monthly mailed statement to confirm balances given that ScotiaBank has not been able to provide us with online access to our account balances.

- For some time, the needs of Departments to purchase items on line and acquire services on short notice has overwhelmed the ability of the single credit card to be effective in supporting Departments. Members of the RODS Management Team and Team Leads have been using personal credit cards to purchase time sensitive supplies and services, and in turn receive reimbursement from the organization. Some specific examples of regularly occurring and time sensitive needs of Departments are:
 - Facebook, Zoom, Vista print, Adobe, Mail Chimp, Hootsuite, and Fresh Desk charges
 - Purchase of groceries for Daycare
 - Purchase of startup groceries for newly arrived GAR arrivals
 - Purchase of essential personal items for GAR arrivals
 - Purchase of catered meals for GAR arrivals
 - Time sensitive purchases of approved capital

ALTERNATIVES:

- Extensive discussions have taken place with ScotiaBank representatives and unfortunately we have not been able to make any headway in increasing or enhancing our credit card services. This issue is not unique in our work with ScotiaBank of late, we had tremendous difficulty getting account access transferred from our former Finance Manager to our current Finance Manager as well as issues with ScotiaBank systems allowing cheques to be deposited more than one time through ATMs.

ADVANCED CONSULTATION:

- The Finance Department has shared the issues being experienced with our current financial institution for some time as well as the need for and value added with a new credit card provider and expansion of credit cards in the organization.

COMMUNICATION STRATEGY:

- Departments are aware of the request to open an account with RBC and secure credit cards, they are also aware of the additional controls and processes around the cards.

REQUIRED APPROVALS

- Requires approval by Board Motion to establish a bank account with RBC

STRATEGIC ALIGNMENT:

- The opening of a bank account with RBC and introduction of Department credit cards will allow the Departments to act quickly in acquiring essential items for clients and to address urgent expense needs. As well, as the relationship with RBC grows, the ability for RODS to expand its direct payment capacity will increase. These efforts will allow for more effective administration of Department expenses and simplified vendor management.

TIMEFRAME/CONSEQUENCES OF DEFERRING DECISION:

- The desired timeframe would be, with Finance Committee endorsement, to bring the item to the RODS Board of Directors on September 28th for review and approval.