Regina Open Door Society Inc.

DECISION ITEM: One time inflationary payment to staff
BOARD/COMMITTEE: RODS Board of Directors
MEETING DATE: May 31, 2023
AGENDA ITEM: TBD
SPONSOR: Keith Karasin

RECOMMENDATION:

Should RODS Board of Directors decide to provide a one-time inflationary payment to all full time and part time staff employed with the organization as of March 31, 2023, the recommendation would be to provide a one-time inflationary payment of $500 per person, prorated to the total individual FT hours worked and prorated to % of full time for part time staff. A one-time inflationary payment based on a $500 prorated payment would total $70,667.42.
The projected organizational surplus for 22/23 is $180,000.00.

Finance and HR staff pulled together 3 potential options to provide part time and full time staff with a one-time inflationary payment. The 3 options were:

- A one-time $500 inflationary payment paid to all full time and part time staff employed at RODS as of the March 31, 2023. The amount would be prorated based % of full time worked in the 22/23 fiscal year and % of full time, to a maximum of $500.00.
- A one-time inflationary payment of 1% of individual gross salary paid to all full time and part time staff employed at RODS as of the March 31, 2023. The amount would be prorated based % of full time worked in the 22/23 fiscal year and % of full time.
- A one-time inflationary payment of .5% of individual gross salary paid to all full time and part time staff employed at RODS as of the March 31, 2023. The amount would be prorated based % of full time worked in the 22/23 fiscal year and % of full time.

Full/Part time	Count of Staff	1. $500 Inflationary Payment	2. Yearly Salary 1%	3. Yearly Salary 0.5%
Full time- 154 Part time 12	166	$70,667.42	$69,150.18	$34,575.09

SUMMARY OF KEY ISSUES & BACKGROUND:

- Within the 5 year IRCC contract, cost of living and inflationary increases to the salary grid were locked in at 1.5% Provincially funded programs do not have % increase to the grid provided in the funding contracts, with funds for salary increases found from the operating budget of each contract.
- Across Canada, the Settlement sector, through their respective provincial umbrella organizations and individually, requested additional funds to increase compensation to staff in light of significant inflation. Requests were in the range of 5% to 6%.
- IRCC denied the requests, directing agencies to submit a detailed business case for any requests for salary increases that fall outside of negotiated contracts. This denial was received several weeks prior to the PSAC job action.
- Within its contracts, RODS only has the capacity to provide the 1.5% increase to the salary grid for the 23/24 fiscal year. As a result we are limited in our ability to support staff with higher wages to offset inflation.

ALTERNATIVES:

- IRCC contracts clearly state the % increases to staff compensation, and restrict the ability of agencies to reallocate contracts funds internally to increase staff salaries at a system wide level. A formal process and business case would be required request the reallocation of funds within the contract. Without ongoing increases in contract total funding, one time reallocations of contract funds would not be sustainable.
- Provincially funded programs do not make provision for salary increases, funds need to be secured from within the budgets annually to provide an organization wide salary increase.
- The Board would need to consider utilizing end of fiscal year surplus or reserve funds to provide a possible one time inflationary payment to staff, as presented. Pre audit, the projected RODS year end surplus is estimated to be at $180,000.00

ADVANCED CONSULTATION:

- The Board of Directors had an initial conversation about staff compensation challenges and a possible one time inflationary payment to staff at the March Board meeting.
- Finance, HR and the Directors have been consulted about possible approaches to such a one-time inflationary payment.
- Finance and HR both recommend the option of a $500.00 one-time inflationary payment as an equitable option.

COMMUNICATION STRATEGY:

- Finance, HR and the Directors have been consulted about the possible options for one time inflationary payments, staff have not been advised of any possible payment.
- Should the Board make the decision to provide a one-time inflationary payment to staff, staff would receive information on the payment coordinated with the 1.5% salary increases contained within the budget, presented to the Board on May 31st.

REQUIRED APPROVALS

- Use of year end surplus or reserve funds requires the approval of the RODS Board of Directors.

STRATEGIC ALIGNMENT:

- A possible one time inflationary payment to staff would support P.2. (Improve Workplace Experience and Employee retention) within the RODS Strategic Plan.

TIMEFRAME/CONSEQUENCES OF DEFERRING DECISION:

- Finance has a projected year end surplus of $180,000.00, with the external audit is now underway. The final year end surplus will be final pending completion of the audit. While there would be an opportunity to coordinate a possible one time inflationary payment to staff with salary increases retroactive to April 1, 2023, there are no challenges around timing for a Board decision.