Audit and Finance Committee

Meeting Minutes

Date: Wednesday, February 18, 2026
Time: 3:30 p.m. – 5:30 p.m.
Location: Zoom

Attendance

Present: Jim (Chair), Linda, Kate, Bina, Keith, Anda
Regrets: Maria

1.0 Update on Cash Position – IRCC Transfers

Linda reported that eight months of program reports (April–November) have been submitted to IRCC. From IRCC's perspective, 67% of program delivery had been completed as of November, 2025 (8 of 12 months), and 66% of amendment funding has been reimbursed.

There have been no prepayments from IRCC for the past two months; as a result, RODS continues to advance operational costs prior to reimbursement. A new column has been added to the tracking spreadsheet to clearly identify pending reimbursements for the period December 1 – February 28. The updated version will be presented at next week's Board meeting.

IRCC Funding Status Summary

Program	Received ($)	Amendment ($)	% Received
RRLIP	261,329	261,329	100%
RAP	615,189	956,969	64%
LINC	1,584,712	2,513,081	63%
OSN	2,303,418	3,531,445	65%
Total	**4,764,648**	**7,262,824**	**66%**

2.0 Update on Smith Street Sale and Woodbine Opportunity

Keith reported that the realtor remains optimistic regarding discussions with the Department of Justice, which has expressed interest in both the Smith Street property and the associated parking lot.

3.0 Draft Board Decision Item – IRCC Requirement for Approval of 2026/27 Salary Grid

Keith advised that IRCC requires annual Board approval of the salary grid as part of the funding submission process. Although the grid was approved last year, IRCC requires yearly confirmation.

This item will be brought forward as a formal Board Decision Item.

4.0 Strategy for Preparing the 2026/27 Budget

Keith expressed concern regarding preparation of the 2026/27 budget due to uncertainty surrounding new contracts and the anticipated impact of 15% funding reductions resulting from federal public service cuts.

Additional updates include:

- IRCC has extended the original three-year contract by one year, making it a four-year agreement. RODS is currently in Year 2.
- Updates and amendments to contracts occur annually.
- Changes in direct program delivery are anticipated.
- RODS will not fund programs discontinued by IRCC but may consider funding alternative programs aligned with the Strategic Plan.
- Approximately 15% of program funding currently supports administration. Upcoming reductions are expected to directly impact the administrative budget over the next three years.
- Keith expects further information regarding notional funding numbers early next week.

Board members expressed interest and support for potentially using reserves for funding core permanent positions to enable delivery of alternative programs aligned with strategic priorities. This should be discussed more in future meetings with the full board.

The Committee discussed communication to staff. While staff are aware that reductions are anticipated, specific details have not yet been communicated.

Keith will provide further updates at the upcoming Board meeting.

5.0 Draft Board Decision Item – Capital Expenditure for Server Replacement

Keith reported that RODS' current IT environment is no longer supported by Microsoft, including the loss of free licenses of a particular tier used by staff. Notice of this change, issued in July, was unfortunately missed, resulting in operational disruption when certain licenses were lost. An interim extension has since been secured with Microsoft to maintain services for a limited period; however, a broader solution is required to ensure continuity and prevent further disruption.

Upon review of the situation, MicroAge, RODS' long-standing IT service provider, has recommended transitioning to a secure cloud-based environment. This approach is expected to enhance system stability, improve security, and provide a sustainable long-term solution.

MicroAge has provided a high-level project plan. Keith will serve as project sponsor and, based on prior experience with MicroAge, does not anticipate delays or budget overruns. A contingency of approximately 5–7% may be built into the project budget.

Funding for this project would need to come from reserves, as IRCC considers this type of project an administrative requirement, as opposed to a cost of service-delivery.

Committee members inquired about alternative quotes and evaluation processes. Keith confirmed that:

- MicroAge's contract is renewed annually.
- He has no concerns regarding performance.
- Obtaining alternative quotes would be challenging due to MicroAge's existing contractual role.

Committee Position:
The Finance Committee is fully supportive of proceeding with the cloud transition project as soon as feasible.

6.0 Recap – February 11 Meeting with MLT (Legal Counsel)

The Committee reviewed follow-up questions and legal notes provided by Laura.

Jim noted that the application process to create a separate entity may take 6–12 months and expressed interest in advancing the process, with a Decision Item potentially brought forward to the April Finance and Board meetings.

Committee discussion highlighted several considerations:

- Anda is fully supportive of creating a separate entity, subject to receiving tax advice as recommended by legal counsel and clarifying the entity's intended purpose and structure.
- Committee members (Kate, Bina, Anda) agreed that:
    - A deeper understanding of the proposed entity is required.
    - The Finance Committee must strengthen its understanding before making recommendations to the Board.
    - April–June are particularly busy months, especially given budget uncertainties.
    - Two major strategic items (Strategic Plan report and Succession Plan report) must be addressed by April.

Suggestion: Consider deferring a Decision Item to the September Board meeting.

Bina recommended reviewing the South Asian Foundation model (PICKS) for comparative insight.

Linda recommended engaging a KPMG tax expert for guidance.

Decision:
The Committee unanimously supported engaging a KPMG tax expert for advice.

7.0 Professional Development Opportunity

The Committee reviewed a professional development opportunity:
"Fundamentals of Running a Private Foundation in Canada" (Blumberg Professional Corp.)

- Online, on-demand (7 hours)
- $395 per person or $316 per person for groups of five or more

Jim has already taken this course and has indicated that it provided meaningful details. Kate, Bina, Anda, Keith, and Linda expressed interest in participating.

Board members will follow the approval process outlined in Board policy. Once approvals are received, Anda will coordinate with Linda for processing.

8.0 Update – Bring'em UP

The Committee inquired whether a contract or MOU has been signed and whether funding has been disbursed.

Keith reported:

- No contract or MOU has been signed to date.
- The group is reconsidering its funding model and may make designated donations to RODS.
- Under the revised model, RODS would administer funds to cover youth participation fees.
- Keith and BK will meet next week to further discuss contractual terms.

9.0 In Camera Session

A regular in camera session was scheduled; no items were brought forward for discussion.

Deferred Items

1. **March 31, 2026 Accounting Issues – Smith Street**
    - Potential writedown under CPA Handbook 3475.13
    - Writedown of deferred contribution under CPA Handbook 4433.20
2. Draft Board Decision Item – Use of newcomer emergency reserve related to Interim Federal Health Program (IFHP) changes
3. Draft Board Decision Item – Use of reserve funds for 50th Anniversary celebration
4. Draft Board Information Item – Q3 Financial Results

Adjournment

The meeting adjourned at ~5:30 p.m.