



AGM's MCC PROGRESS REPORT


- 6 CORE DELIVERABLES PROGRESS REPORT (JULY 2013 – DEC. 2015)
- WHAT'S NEXT: FUTURE DELIVERABLES 2016-2018, 2019
- OTHER MCC CENTERS' PROGRESS REPORT (DETAILS PROVIDED SEPERATELY)
- ADDITIONAL MATERIALS

MCC PROGRESS REPORT

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6 CORE DELIVERABLES STATUS REPORT

July 2013 – Dec. 2015

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- 1. Transparency and Accountability in Public funds and operations**
1. Approved in the SGM/AGM of Jan. 24th, 2015 the following:
 - i. 3rd party arms length reputable audit firms
 - ii. 5 years Audit
 - iii. Action Item/Implementation: Initiated 6 years audited financial process via KPMG

6 CORE DELIVERABLES STATUS REPORT

July 2013 – Dec. 2015



2. Empowerment of ALL quadrants through elected boards

2. Approved in the SGM/AGM of Jan. 24th, 2015 the following:
 - i. The MAC & MCFC Committees will have a balanced representation from all the quadrants /centers : Section G (1) (i).
 - ii. All centers will also have an Elected local body in future
 - iii. Approve the equal representation formula for the appointment of “committee of trustees (CT)” (7.b.ii)
 - iv. Implementation Update: Completed in phases by July 2016

6 CORE DELIVERABLES STATUS REPORT

July 2013 – Dec. 2015



3. Introducing grass-root representation based MCC Board system

3. Approved in the SGM/AGM of Jan. 24th, 2015 the following:
 - i. Quadrant based local elections with 3 representatives being elected from each city quadrant and 1 from Brooks, Section F (2) (a) and F (2) c
 - ii. Relaxation of the MCC Membership fee to \$10 from \$100 and thus voter eligibility criteria to common masses, which has resulted in 10,000 eligible voters this year (10 folds)
 - iii. Implementation Update: Completed by Nov. 2015

6 CORE DELIVERABLES STATUS REPORT

July 2013 – Dec. 2015



4. Management of Joint Assets and Accounts through formation of a Trust (Protection of Assets)

4. Approved in the SGM/AGM of Jan. 24th, 2015 the following:
 - i. No lien or loans on lands of a centre , Section L (8)
 - ii. Protection of the assets against sale and mortgages without prior approval of a 3/4th majority of the Islamic organization (i.e. MCC, MAC or MCFC and concerned quadrant center) (7.g)
 - iii. All centers with assets recommended to file for its CRA Charitable status. Upon successful Charitable status, the centers will jointly own its relevant asset with MAC or MCFC post CRA formal review at that point. (CRA Opinion sought). (7 h)

Implementation Update:

- i. Implemented: 4. i, ii
- ii. Work in Progress: 4. iii



**WORK IN
PROGRESS
COMING SOON!**



6 CORE DELIVERABLES STATUS REPORT

July 2013 – Dec. 2015

5. Advancement of educational excellence

5. One of the core Election Promises in July 2013
 - i. Introduction of 3rd party Palliser system which is going to ensure improvement in the education system
 - ii. Islamic Teachings & Education systems remains intact.
 - iii. Significantly higher government funding in cash and kind via Palliser board thus resulting in (a) 30% improved staff salaries, (b) better student technologies/educational upgrades, (c) reduced school fee
 - iv. Reduced School Fee Initiatives – (a) Tax Deductible Receipts issuance on Capital portion (b) 40% Avg. School Fee Reduction (c) Effective New School Fee with Tax Benefit ~ \$1000/year/child
 - v. Oversight Education Committee consisting of the MCC, MCFC & CIS
 - vi. Capital Budget Allocations for the existing CIS Campus upgrades

Implementation Update:

- i. Implemented: 5. i, ii, iii
- ii. Work in Progress: 5. iv, v, vi



6 CORE DELIVERABLES STATUS REPORT

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6. Engagement of our women, youth and seniors.

6. Approved in the SGM/AGM of Jan. 24th, 2015 the following:
 - i. Establish advisory boards
 - The women's and senior's advisory boards will be appointed
 - Youth advisory board will be a training ground for our future leaders
 - ii. Engagement of Women, Youth and Seniors
Sections F (9), (10) and (11) have been added.
 - iii. Implementation Update:
 - i. Completed by Aug. 2016
 - ii. Creating sub committees for each centers & MCC city basis

WHATS NEXT

- **KEY 6 CORE DELIVERABLES FOR THE NEXT 3 YEARS (2016 – 2018, 2019)**
 1. AUDIT FINDINGS IMPLEMENTATION
 2. CRA COMPLIANCE & CHARITABLE STATUS APPLICATIONS
 3. ORG. PROCESS & CONTROLS GUIDELINES IN PLACE
 4. CIS SCHOOL CAMPUS ESTABLISHMENT, EXPANSIONS & UPGRADES
 5. CITY WIDE ISLAMIC CENTER EXISTING PROJECTS' ACCELLARATED PLANNING & EXECUTION
 6. LEADERSHIP TRANSITION GROOMING PLAN FOR THE NEWLY ESTABLISHED GRASS ROOT LEVEL ELECTORAL SYSTEM

NEXT KEY 6 CORE DELIVERABLES (2016 – 2018, 2019)

1. AUDIT FINDINGS IMPLEMENTATION

- i. Implementation Committee to be established
- ii. Expected Target Completion date – 1 year

2. CRA COMPLIANCE & CHARITABLE STATUS APPLICATION

- i. CRA Compliance via voluntary disclosures process- target completion 2017
- ii. Charitable Status Application target completion - 2018

3. ORG. PROCESS & CONTROLS GUIDELINES IN PLACE

- i. Created MCC Process & Procedures Committee
- ii. Organizational process & control documentation and guidelines in the works
- iii. Retained 3rd party company to assist MCC in creating customized controls/processes documents along with the help of industry volunteers such as HR, Contract awards, Financial controls, Intellectual/Trustee matters
- iv. Expected target completion date - 2018

NEW PROPOSED ISLAMIC SCHOOL CAMPUS, MASJID, COMMUNITY & BUSINESS CENTER (FALL 2018)



4. CIS SCHOOL CAMPUS EXPANSIONS & UPGRADES

I. CIS- Al Hedaya Campus Fall'2018

- i. 1000 capacity Islamic School under Palliser
- ii. 1000+ capacity Islamic Center/Masjid
- iii. Community Center
- iv. Business Center
- v. Self-Reliance revenue generating model finance model
 - a. School Fee
 - b. Business Center
 - c. Islamic Center
- vi. **Detailed Due Diligence and Feasibility plan to be presented in the SGM for Public Approval in the next 3 – 6 months**

NEXT KEY 6 CORE DELIVERABLES (2016 – 2018, 2019)



4. CIS EXISTING SCHOOL CAMPUS EXPANSIONS & UPGRADES

II. CIS-AJ Building Upgrade & Expansion

- Capital Upgrade 2017-2018 of the existing facility
- Capital Expansion Feasibility Program
 - Detailed Due Diligence and Feasibility plan to be presented in the SGM for Public review and approval in the next 3 - 6 months.

NEXT KEY 6 CORE DELIVERABLES (2016 – 2018, 2019)

- 5. CITY WIDE ISLAMIC CENTER EXISTING PROJECTS' ACCELLARATED PLANNING & EXECUTION**
 - i. MCC City Planning Committee to be established to understand the city needs for the next 5, 10 & 20 years
 - ii. Long term and short term needed capital intensive Islamic Center Projects
 - iii. Focus on realistic, transparent and Self-Financed/Self-Reliance/Self-Sustained “Business Model” based city projects

- 6. LEADERSHIP TRANSITION GROOMING PLAN FOR THE NEWLY ESTABLISHED GRASS ROOT LEVEL ELECTORAL SYSTEM**
 - i. MCC to provide leadership learning opportunities at different level and encourage young leadership from diverse communities
 - ii. Systematic “Soft Landing” approach planned transition for 2016, 2017 and 2018 tenures.
 - iii. The goal is to promote & protect GRASS ROOT democratic process based on Islamic values.
 - iv. The goal is to have a continuation and to avoid any leadership vacuum at all times
 - v. The goal is to move away from kingdoms and promote/ establish Institutional values.

MCC CENTERS' PROGRESS REPORT

- LOWER NE – AKRAM JOMAA
- UPPER NE – AL-HEDAYA
- SW MASJID – CALGARY ISLAMIC CENTER
- DEEP SE/SW – ISLAMIC CENTRE OF SOUTH CALGARY (ICSC)
- NW - IANWC

ADDITIONAL MATERIAL

- **SPRING BANK EVENTS SUMMARY:**

- i. **2013 - 2014 (May): MCC Chairman- Sohail Merhi**

- i. Unilateral approval of the project by the MCC Chairman without garnering support of the 3/4th majority in the SGM of Spring bank
 - ii. MCC Chairman's unilateral action to remove \$900,000 from the Spring bank Account in order to make a Non-refundable payment attempt to the seller, without the authorization of the MCC Board.
 - iii. Upon Seller's refusal of accepting the unauthorized bank draft of \$900K, the MCC Chairman handed over the fund to its own designated lawyer to hold in trust, i.e. Lacourciere.
 - iv. MCC Board demands the funds to be deposited back to the official MAC bank accounts, which did not happen until **March 2015**.
 - v. MCC Board approves a clear plan via its official resolution dated in May, 2014 upon confirmation of the cancellation of the Spring bank project for refund of the collected "Spring Bank donor funds". The plan included to refund the donors the entire amount who have not been claimed issued tax receipts for 2014 year or their approval to re-allocate their funds for another project within MCC. However, the MCC Board's plan could not be implemented as the \$900,000 funds were not returned back into the MAC-Spring bank accounts till March 2015.

The funds were not returned by the proponents' of the Spring bank Project's lawyer, Lacouciere till this date and kept in an "outside party's trust" until the issuance of the tax receipts in Q1-2015.

ADDITIONAL MATERIAL

- **SPRING BANK EVENTS SUMMARY:**

- ii. **2014 (June) – 2015 (Jan.): MCC Chairman- Mohammad Sabbah**

- i. The MCC Board makes a decision in Nov. 2014 to allow the spending of the Spring Bank Funds into newer MAC related projects
 - ii. The \$900K bank draft funds was not returned by the proponents' of the Spring bank Project's lawyer, Lacourciere during this period and kept it in an "outside party's trust" until the issuance of the tax receipts in Q1-2015.

- iii. **2015 (Feb.) – 2015 (Dec.): MCC Chairman- Abdul Jalil El-Kadri**

- i. The Tax Receipts for the donors' year 2014 gets issued including for the donors of the Spring bank, while the funds are still being withheld against the will of the MCC by third parties and proponents of the Spring bank Projects.
 - ii. The MCC via its legal threat of actions finally able to get the Spring bank funds back from the proponents of the Spring bank project's lawyer, Lacouciere in March, 2015.
 - iii. The MCC makes announcement to general public upon receipt of Spring bank funds with an option given to either claim their refunds if tax receipts not utilized for the year 2014 yet or an option to utilize the funds for newer MAC project, such as Cemetery under the **2012 AGM** approvals for cemetery upgrades/approvals of ongoing work.
 - iv. Some donors from Spring bank funds claim their refunds, whereas the rest of the funds get allocated for other MAC projects
 - v. MCC Board approves \$240K loan on Qarz-e-Hasana basis for Brooks under the new MAC Project.
 - vi. Year End Spending: MAC Related Projects such as Cemetery, Brooks- \$382K + additional ~\$150K spent on cemetery in 2016, \$35K spent on defending MCC Board lawsuits against what was known as parallel Waqf committee declared Illegal by court, MCFC Refund- \$200,000, total = \$1.1M
 - vii. New MCC Elections takes place upon the winning of the lawsuit against the parallel Waqf committee declared illegal by court

ADDITIONAL MATERIAL

- **SPRING BANK EVENTS SUMMARY:**

- ii. **2016 (Jan.) – 2016 (July): MCC Chairman- Abdul Jalil El-Kadri**
 - i. The MCC Board freezes the remaining balance (~\$375K) in the bank account till the Springbank/New MAC Projects could be re-approved/re-allocated via AGM.
 - ii. The new MCC Board members gets sued by some of the “Spring bank donors” led by Sohail Merhi (Sohail Merhi et al vs. MCC Board Members) with a demand to refund the money in full back to the springbank donors.
 - iii. The new MCC Board in its defence has taken a stance that there was no malifide intent and the donors’ refund could have taken place, had former MCC Chairman-Sohail Merhi and his Spring bank supporters would have re-deposited the withdrawn springbank funds back into the MAC Spring bank accounts back in early 2014, before the issuance/taking benefits of their tax receipts.
 - iv. The matter is pending in the courts for final decision from the judge.