

Section III – Items for the Information of the Board

TO: Chair and Members of the Board of Directors
Friday, September 24, 2021 Meeting

FROM: Michael Tolensky, Chief Financial and Operating Officer

RE: **PROCLAMATION OF THE ONTARIO NOT-FOR-PROFIT CORPORATIONS ACT**

KEY ISSUE

An update on the forthcoming proclamation of the Ontario *Not-for-Profit Corporations Act* (ONCA).

RECOMMENDATION

IT IS RECOMMENDED THAT this report on the forthcoming proclamation of the ONCA be received.

BACKGROUND

Toronto and Region Conservation Authority (TRCA) is a non-share corporation, established as a body corporate under Section 3(4) of the *Conservation Authorities Act (CA Act)*. As of January 1, 1976, TRCA has been registered with Revenue Canada as a charitable organization under the *Income Tax Act*. This makes TRCA subject to the ONCA announced to be proclaimed on October 19, 2021.

RATIONALE

The proclamation of ONCA has implications for TRCA's Board of Directors governance. While there is an overlap in governance requirements between ONCA and recently proclaimed governance sections of the CA Act in respect to increased accountability and transparency, financial auditing, and records management, there are also some features not discussed in the CA Act. For example, ONCA allows a member to appoint a proxy holder or to use alternative means of voting (by mail, telephone or electronic means) should it be permitted in the by-laws.

All nonprofits are expected to transition to the new rules no later than three years after the proclamation (October 19, 2024).

Relationship to Building the Living City, the TRCA 2013-2022 Strategic Plan

This report supports the following strategy set forth in the TRCA 2013-2022 Strategic Plan:
Strategy 7 – Build partnerships and new business models

DETAILS OF WORK TO BE DONE

TRCA staff will report back at a future Board of Directors meeting with a detailed compliance summary and recommendations for next steps, as applicable.

Report prepared by: Alisa Mahrova, extension 5381

Emails: alisa.mahrova@trca.ca

For Information contact: Michael Tolensky, extension 5965

Emails: michael.tolensky@trca.ca

Date: September 10, 2021