

Organizing Your Corporate Documents

Board Development Workbook Series



The Muttart Foundation

Legal and Ethical Duties of Directors
of Not-for-Profit Organizations

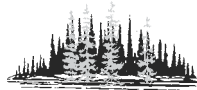
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This workbook does not replace legal advice.

This workbook can only provide general background on some of the most common matters a board may have to deal with.

Do not rely on it to make decisions or to take any action. Always check with a lawyer or other expert to get advice on your specific situation. See [Getting Professional Help](#) in the Resources section for some suggestions for where to start.

Available at www.albertacanada.com.

The Purpose of This Workbook

This workbook is designed to help members of the boards of incorporated not-for-profit organizations in Alberta understand the legal world in which they operate. It is the companion to the workbook *Understanding Your Corporate Documents*. Other workbooks in this series focus on specific rules and responsibilities.

The first step in understanding the legal duties of a board is to get organized.

This workbook will help your board create

- an Organizational Binder for all the important documents that your board needs to have at its fingertips,
- an Organizational Calendar of key dates, and
- a list of key contacts.

It will also help your board find out if your organization is

- an incorporated not-for-profit organization, and
- a charitable organization registered under the *Canada Income Tax Act*.

The Resources section of this workbook contains

- a [Legal Documents Checklist](#) which your board may want to review annually and use to orient new board members,
- [Getting Professional Help](#), a list of various agencies that may be able to help your board deal with its legal duties,
- [Samples of Key Corporate Documents](#)
- [A Guide to Searching Government Registries](#) which your board may find helpful in finding important information about your organization,
- [Numbers, Numbers, Numbers](#), a guide to finding and understanding your organization's various registration numbers, and
- a [Glossary](#) of terms used in this workbook. You may want to have a quick look at it before you begin.



If your organization is not incorporated, this workbook will give you some information and ideas that might be interesting but may not apply directly to your organization.

If you wish to incorporate your organization, you may find it helpful to get the workbook entitled *Drafting and Revising Bylaws for Not-for-Profit Organizations in Alberta* available at www.culture.alberta.ca/bdp/workbooks.aspx.

How to Use this Workbook

We have designed this workbook to be used by boards of not-for-profit organizations. Your board may want to work through it together or assign it to a smaller committee to complete. You may prefer to ask an individual board member (for example, the Vice-President or Secretary) or the Executive Director to do it on your behalf. Before deciding, you may want to skim through the workbook to see what will work best for your board. If you decide not to do the workbook as a board, be sure to spend time going through your Organizational Binder when it is completed. It is important that all the members of the board know what it contains.

This workbook is the companion to the workbook *Understanding Your Corporate Documents*. We believe you will find it most helpful to do this workbook first.

We hope this workbook will help you keep your organization on a firm legal foundation and prevent many problems from arising. However, we ask you to keep the following cautions in mind:

- The law is complex and there are important exceptions to many rules. There are also many legal issues that are not covered in this workbook and many situations and options that are not discussed.
- The law is always changing so some of the information in this workbook may be out of date by the time you read it.
- Every organization is different and its problems may be unique. This workbook cannot cover all those situations.

So please remember that this workbook does not replace legal advice. Do not rely on it to make decisions or to take any action. Always check with a lawyer or other expert to get advice on your specific situation. See [Getting Professional Help](#) in the Resources section for some suggestions for where to start.



Throughout this workbook, we sometimes refer to an incorporated not-for-profit organization as a “corporation”. This may seem odd if you are used to thinking of a corporation as a large, for-profit business.

However, if your organization has been formally incorporated, whether as a society, a co-operative, a not-for-profit company, or a federally incorporated not-for-profit organization, it is considered in law to be a corporate entity or corporation.

Understanding Your Legal World

Not-for-profit organizations operate within a framework of laws that govern what they can do and how they must do it. Some of these rules are made by governments and can be thought of as external rules. Other rules are made by the organization itself and are its internal rules. Your organization must follow all relevant external rules as well as its own internal rules.

External Rules

Laws have developed over the years to provide some sense of order and stability in our lives. They reflect our need to know that other people and organizations will keep their promises if at all possible. Laws also give us ways of dealing with promises that are broken. Laws may be made by all levels of government: federal, provincial, or municipal.

Like ordinary people, incorporated organizations must obey the law. Those laws touch on almost all aspects of the activities of boards and their organizations. Unfortunately, there isn't a single statute or even area of law that sets out all of the rights, duties, and liabilities of boards of directors. As a result, board members tend to learn about the law by

- serving on boards of incorporated not-for-profit organizations,
- talking with others,
- going to conferences and workshops,
- consulting experts from time to time, and
- reading news stories, magazine articles, workbooks, and other resources that have been prepared to help them.

[Getting Professional Help](#) in the Resources section contains a list of organizations that provide resources to the not-for-profit sector. You may find some of them of particular interest.

Internal Rules

Through their constitutions, policies, and customs, boards create their own rules. Some of these internal rules are also legally binding. Board members are responsible for knowing and following their organization's internal rules and for up-dating them from time to time as necessary. The organization's constitution usually says how changes to bylaws are supposed to be made. Policies can usually be changed using the same procedures that were used to create them.

Getting Organized

The series of activities in this workbook will help you find and organize some of the external and internal rules that your organization must follow:

- the statute that enables your organization to exist,
- your constitution, and
- your organization's policies.

Creating an Organizational Binder

One of your duties as a director is to make sure your board is exercising its powers legally, and that your board, your staff, and your volunteers are all doing things properly.

The best place to begin to understand your legal duties is to look at the legal documents that govern your organization:

- the incorporation documents, including the certificate of incorporation, the “objects”, and the bylaws for your organization
- the legislation under which your organization was incorporated
- the policies of your organization.

Someone in your organization should be given responsibility for creating and maintaining a binder of all its important documents. This will help your board keep on top of the information you need to make good decisions.

- If your organization has an Executive Director, your board may ask that person to create the binder and bring it to your board meetings.
- If you do not have an Executive Director, you may ask one board member to create and maintain the binder and bring it to board meetings. That might be a good job for your Vice-President or your Secretary.

Whatever route you choose, be sure to spend time as a board going through your Organizational Binder when it is completed. It is important that all the members of the board know what it contains. You may decide that each member of your board should have a personal copy of these materials.

Once you have created the binder, you will find you have the answers to many legal questions at your fingertips.



To understand your organization’s legal position in any matter, it is necessary to look at both the law and any rules your organization has made for itself.

Worksheet: Creating your organizational binder

- Choose a 2 or 3-inch binder to serve as your Organizational Binder.
 - You may wish to choose a brightly colored binder that is distinctive and doesn't blend in with other materials in the office.
- Make tab dividers for each of the following headings:
 - Tab 1: Organizational Calendar
 - Tab 2: Key Contacts
 - Tab 3: Constitution
 - Tab 4: Governing Statute
 - Tab 5: Policies and Practices
 - Tab 6: Minutes of Directors' Meetings
 - Tab 7: Minutes and agendas of Annual General Meeting
 - Tab 8: Minutes and agendas of Members' Meetings
 - Tab 9: Minutes of Board committees
 - Tab 10: Financial Affairs
 - Tab 11: Contracts
 - Tab 12: Proposals and Grants
 - Tab 13: Leases and Rentals
 - Tab 14: Insurance
- Make a Table of Contents page listing the Tabs and their contents.

The activities described in this workbook will help you to find the materials for Tabs 1 to 5 of your binder. You can fill in the rest of the Tabs over time as you learn more about your organization.



Several activities in this workbook suggest that you conduct a search of the provincial and federal corporate registries. Before doing a search, read [A Guide to Searching Government Registries](#) in the Resources section.

Tab 1 – Organizational Calendar

One of your responsibilities as a board member involves making sure that your organization meets its commitments on time.

- Some of these commitments are imposed on your organization by statutes and regulations. For example, the deadline for filing annual returns under the *Alberta Societies Act* and *Charitable Fund-raising Act*, or the federal *Income Tax Act*.
- Others are commitments your organization imposes on itself through its policies or through agreements it makes with funders, staff, or others it deals with. For example, reporting deadlines under grant agreements or renewal deadlines in leases.

An Organizational Calendar will help you keep track of these deadlines.

Worksheet: Creating an organizational calendar

- Create your own Organizational Calendar or use the table on the following page.

You will be adding key dates to your Organizational Calendar as you work your way through this workbook. These dates should relate only to matters the Board must deal with. Do not add dates of special events or activities your organization will be involved in throughout the year. Limit this calendar strictly to the official business of the Board.

- Deadlines for annual returns (eg. audits, income tax, etc)
- Contract commitments
- Annual review of your Executive Director
- Annual General Meeting

If you cannot find all this information immediately, other activities in this workbook will help you. If you have some of this information at hand, fill in as much of the calendar as you can. You can finish this section of your binder later.

- You may want to note your official provincial or federal Corporate Number, Business Number, and provincial charitable fund-raising number on the top of the page of your Calendar. If you don't know what these numbers are or how to find yours see [Numbers](#), [Numbers](#), [Numbers](#) in the Resources section.
- Put your Organizational Calendar behind Tab 1 in your Organizational Binder.
- Check your Organizational Calendar at least monthly and at all board meetings to be sure you are meeting your commitments.

Organizational Calendar

Alberta Corporate Access Number OR Federal Corporate Number _____

Alberta Charitable Fund-raising Number _____

Business Number (BN) _____

R	C
---	---

 _____ (corporate income tax)

R	P
---	---

 _____ (payroll deductions)

R	R
---	---

 _____ (charity)

R	T
---	---

 _____ (GST)

Month	Task	Name
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		
Next Year: 20 _____		
Year After Next: 20 _____		

Date Updated: _____ by: _____
Day / Month / Year Name

Tab 2 – Key Contacts

Use this section of your binder to keep track of key organizational contacts. At a minimum, you should include your organization's Registered Office, lawyer, auditor, board members, and senior staff.

You might also want to include the contact information for the people with signing authority for your organization and your funders, bank manager, building supervisor, emergency services, and other people that your board may need to contact quickly.

Worksheet: Identify key contacts

- Locate the contact information for your organization's
 - Registered Office
If you don't know where your Registered Office is, the Worksheet on page 18 will help you find out.
 - Lawyer
 - Auditor
 - Board members (note who has signing authority)
 - Senior staff (note who has signing authority)
 - Other important people (eg. your Executive Director, bank manager, building supervisor, etc.)

If you cannot find all this information, other activities in this workbook will help you. You can finish this section of your binder later.
- Create your own Key Contacts page or use the sample table provided on the following pages.
- Put your list of contacts behind Tab 2 in your Organizational Binder.
- Keep this section of your binder up-to-date when these people change or move about.

Key Contacts

Name and Address	Voice, Fax, E-mail, Web
Registered Office:	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____
Auditor:	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____
Lawyer:	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____

Date Updated: _____ Day / Month / Year by: _____ Name

Board Members

Name and Address	Voice, Fax, E-mail, Web
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____

Date Updated: _____ Day / Month / Year by: _____ Name

Senior Staff

Name and Address	Voice, Fax, E-mail, Web
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____

Date Updated: _____ Day / Month / Year by: _____ Name

Other Key Contacts

Name and Address	Voice, Fax, E-mail, Web
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____
	Telephone: _____ Cellular: _____ Fax: _____ E-Mail: _____ Website: _____

Date Updated: _____ by: _____
Day / Month / Year Name

Tab 3 – Constitution

Your next task in organizing your key legal documents is to find out if your organization was incorporated and whether it has been filing its annual returns and other forms properly.

Incorporation is the process by which an organization gets its legal status. The procedures for incorporating differ from statute to statute and province to province.

However, generally speaking, an organization is required to have

- a document containing its general objects which state the organization's goals and objectives, and
- bylaws which cover matters such as who will be allowed to become a member and how decisions will be made.

These documents are the organization's constitution and must be filed with either a provincial or federal corporate registry. Once your organization has been approved for incorporation, the registry will issue a Certificate of Incorporation or Letters Patent. We have included those documents in the list of incorporating documents because they prove that your organization was, at one time, properly incorporated.

The following table shows the main statutes used to incorporate not-for-profit organizations in Alberta and the names of the documents that form the organization's constitution.

Jurisdiction	Statute	Constitutional Documents
Alberta	<i>Societies Act</i> R.S.A. S-18	Certificate of Incorporation Application for Incorporation Bylaws
Alberta	<i>Companies Act</i> R.S.A. 1980, c. C-20	Certificate of Incorporation Memorandum of Association Articles of Association
Federal (Canada)	<i>Canada Not-for-profit Corporations Act</i> S.C. 2009, c. 23	Articles of Incorporation Bylaws

For examples of these documents see [Samples of Key Corporate Documents](#) in the Resources section.

Some types of not-for-profit organizations are incorporated under other legislation, such as the *Cooperatives Act* and the *Religious Societies' Land Act*.



Some organizations might seem like incorporated not-for-profit organizations, but are not. For example, Parent School Councils in Alberta are set up like a society with bylaws but the *Alberta School Act* forbids a school council to incorporate as a society or a not-for-profit company. Since these school councils do not have the power to raise funds, a separate fundraising society is often formed with the same people serving on both boards. The school council itself is not incorporated, but the affiliated fundraising group might be.

Worksheet: How to tell if your organization is incorporated

In all likelihood someone in your organization knows if your organization was incorporated and has copies of its constitutional documents.

However, the only sure way to find out if your organization is currently incorporated is to conduct a search of the federal and provincial corporate registries.

Your Constitution

- Ask the Executive Director, other board members, or your organization's lawyer for a copy of your incorporating documents.
- If they do not have a copy or if you are still unsure of your organization's status, search the registries of provincially and federally incorporated organizations. See [A Guide to Searching Government Registries](#) in the Resources section.
- Put a copy of your incorporating documents behind Tab 3



If you can not find your constitution, your organization may not have been incorporated, or its legal name may not be the name you searched. Talk to your organization's lawyer about doing more searches. Your organization may have been incorporated at one time but later struck from the registry for some reason.

Worksheet: How to tell if your constitution has been amended

Sometimes organizations find they need to change some aspect of their constitution. To check to see if your constitution has been amended:

Amendments

- Ask your Executive Director, other board members, or your organization's lawyer for a copy of any amendments. Those changes would probably be to your organization's by-laws but could be to your application, Memorandum of Association, or Letter Patent or other constating documents.
- If:
 - no one in your organization has copies of the amendments, or
 - you are not sure if there have been any amendments, or
 - you are not sure that you have found all of the amendments,search the Corporate Registry.
See [A Guide to Searching Government Registries](#) in the Resources section.
- Get copies of any amendments.
- To be in effect, changes must have been filed with, and approved by the appropriate corporate registry. (If you are a society or a not-for-profit company, they would have to be filed with Alberta Corporate Registry. If you are incorporated federally, they would have to be filed with the federal registry.) Ask your Executive Director, other board members, or your organization's lawyer for a copy of the document indicating that the amendments were filed. If necessary, do a search of the corporate registry to confirm whether the amendments were filed. See [A Guide to Searching Government Registries](#) in the Resources section.
- If your organization has duly passed changes to its constitution but has never filed them with its corporate registry, contact a registry agent or your lawyer to find out what to do.
- Put any amendments to your constitution behind Tab 3 in your Organizational Binder.

Maintaining Your Corporate Status

An incorporated organization must file certain documents with its corporate registry every year to maintain its corporate status.

The fact that your organization has a certificate confirming incorporation does not necessarily mean it is still “alive”. Its registration could have lapsed because no one filed its annual returns. This is a serious matter. Ask your organization’s lawyer for advice if you think this may have happened. Reinstating an organization is a costly process so it pays to stay on top of these filing requirements.

To check to see if your organization has been filing its annual reports, you can search its corporate registry.

To conduct a search, read [A Guide to Searching Government Registries](#) in the Resources section.

Your Organization’s Registered Office

Just like you, your organization has to “live” somewhere. Its “home” is its registered office. That is the address where all formal notices will be sent. Very often, the registered office is the address of your organization’s lawyer. However, it might also be the address of your organization’s office, or of a current or former board or staff member.

Worksheet: Finding your organization's registered or head office

If your organization was incorporated under the *Societies Act* or the *Companies Act* someone would have filed a Notice of Registered Office with Corporate Registry.

- Ask other board members or your Executive Director for a copy of the Notice of Registered Office. If you want to be certain of your registered office, search Corporate Registry.
- If you cannot find the Notice of Registered Office, you can check with your organization's lawyer or do a search for the address of your registered office with Corporate Registry. See [A Guide to Searching Government Registries](#) in the Resources section for information on how to do this.
- Add the address of your Registered Office to the "Key Contacts" page behind Tab 2.
- If the address on file is not the one you wish used, consider filing a Notice of Change of address.

For examples of these documents see [Samples of Key Corporate Documents](#) in the Resources section.

Is Your Organization a Registered Charity?

The term charity is defined in various ways municipally, provincially, federally, and by specific commissions and other bodies. Whenever you are applying for funding, tax benefits, or conducting fund-raising activities, check to see what definition of charity is being used. Groups that qualify as registered charities under the federal *Income Tax Act* are eligible to issue receipts for donations. They must also abide by certain rules set out in the *Income Tax Act*.

There are three categories of registered charities: charitable organizations, public foundations, and private foundations. Groups that primarily carry out their own activities (as opposed to funding others to do charitable work) are generally classified as charitable organizations. In this guide we have used that term as the most often applicable to the organizations described. Where not-for-profit organizations are public or private foundations, the same considerations described below generally apply. Foundations, however, are subject to stricter rules for certain aspects of their operations.

A not-for-profit organization does not have to be a registered charitable organization, but it may be. On the other hand, a registered charitable organization must be operated on a not-for-profit basis. If your organization is a registered charitable organization, there are special rules you need to know about.

To be a registered charitable organization, your organization must have a purpose that is **recognized in law** as being of public benefit. At this time, there are only four purposes recognized in law:

- the relief of poverty,
- the advancement of education,
- the advancement of religion,
- other purposes beneficial to the community that the courts have found to be charitable.

Your organization must also be registered as a charity with the Charities Directorate of the Canada Revenue Agency.



If you intend to ask Albertans for donations, you may also need to follow the rules in the Alberta *Charitable Fund-raising Act* and its regulations. You can find the act and regulations online at www.qp.gov.ab.ca. Search the catalogue by statute name or contact the Queen's Printer to order a copy of the act and regulations.

Benefits and Responsibilities of Being a Registered Charitable Organization

Like many not-for-profit organizations, registered charitable organizations do not have to pay income tax and may have other special tax benefits. The most important of these is that registered charitable organizations can provide charitable receipts for donations. Their donors are able to get credit for their donations when they file their tax returns.

In exchange for special fund-raising privileges and tax benefits, charities must submit to rules restricting what they can do and to extra accountability to the public. These include

- ensuring that your organization continues to conduct charitable activities only;
- carrying out only charitable activities that are consistent with the charitable purposes under which your organization was registered;
- abiding by restrictions on how you can raise and use your money;
- spending certain minimum amounts each year;
- filing special annual information returns with the Charities Directorate of the Canada Revenue Agency;
- making no changes to your constitution without approval from the Canada Revenue Agency; and
- requiring that at least 50% of your directors are at arm's length (i.e., not in a close relationship) with each other.



An organization that is not officially registered with the Canada Revenue Agency and does not have a charitable tax number **cannot issue deductible tax receipts for donations**. In fact, it is illegal to do so. The organization can, however, still receive donations and engage in fund-raising activities.



Nonprofit organizations generally cannot make asset or revenue distributions. However, the *Income Tax Act* provides an exception to this in Section 149(1)(l) for payments to owners or members of a national club, society, or association whose primary purpose and function is to promote amateur athletics in Canada. This allows certain athletic groups to make distributions in support of athletes and sport.

Worksheet: How to tell if your organization is a registered charitable organization

If your organization has been granted charitable status, it will have been issued a Notification of Registration by the Canada Revenue Agency (formerly Revenue Canada or the Canada Customs and Revenue Agency). It will also have been issued an official Business Number (BN) with a charitable registration suffix. These are not the same as a fundraising registration number issued by the province or municipality.

If you think that your organization is a registered charitable organization there are three ways of checking:

1. Notice of Registration

- Check to see if you can find a Notification of Registration form in your files or other records.
- If you are unable to locate your Notification of Registration check with other board members, your Executive Director, or your organization's lawyer.
- Put a copy of the form behind Tab 3 in your Organizational Binder.

2. Business Number

- If you can't find a Notification of Registration, check to see if your organization has been issued a Business Number (BN). See [Numbers, Numbers, Numbers](#) in the Resources section.
- Record your BN on your Organizational Calendar which is behind Tab 1.
- If your organization has a Business Number, check to see if it contains the letters RR plus four numbers (eg RR0001). If so, your organization has been registered as a charitable organization.

3. Charitable Organizations Registry

The Canada Revenue Agency Charities Directorate website lists Canadian registered charitable organizations.

- Search online at www.cra-arc.gc.ca. If your organization is not listed on the site, it was never registered or its charitable status has been revoked.
- If you find your organization listed, record its Business Number on your Organizational Calendar which is behind Tab 1 of your Organizational Binder.

Even if your organization was registered as a charity, it may have been struck from the registry.

- Check to see if your organization's charitable status under the *Income Tax Act* has been revoked by searching online at www.cra-arc.gc.ca. Since this is only a list of recently revoked organizations, you may not find your organization listed if its charitable status was revoked some time ago.
- If you are still in doubt about whether your organization is a registered charitable organization or whether its registration is still active, call the Charities Directorate of the Canada Revenue Agency or talk with your organization's lawyer.

Tab 4 – Governing Statute

Now that you have found your organization's constitution, you need to know whether it is a society, a not-for-profit company, or a federally incorporated not-for-profit organization. Your next task is to get a copy of the legislation governing your organization.

The following chart will help you determine which statute you need.

Jurisdiction	Statute	Constitutional Documents
Alberta	<i>Societies Act</i> R.S.A. S-18	Certificate of Incorporation Application for Incorporation Bylaws
Alberta	<i>Companies Act</i> R.S.A. 1980, c. C-20	Certificate of Incorporation Memorandum of Association Articles of Association
Federal (Canada)	<i>Canada Not-for-profit Corporations Act</i> S.C. 2009, c. 23	Articles of Incorporation Bylaws

For examples of these documents see [Samples of Key Corporate Documents](#) in the Resources section.

Worksheet: Finding your governing statute and regulations

- Using the preceding chart, note the statute that you think governs your organization.
- Check your organization's Certificate of Incorporation, Letters Patent, or Application for Incorporation to see if it refers to a statute.
- If it is not clear from your documents what statute your organization was incorporated under, ask a fellow board member, your organization's Executive Director, or your organization's lawyer.
- If you are still in doubt, begin by finding out if you are incorporated under an Alberta statute. Do a search at a corporate registry office to see if you are registered. See [A Guide to Searching Government Registries](#) in the Resources section.
- If your organization is not incorporated under an Alberta statute, it may be federally incorporated. Check the federal corporate registry. See [A Guide to Searching Government Registries](#) in the Resources section.
- Once you know which act your organization was incorporated under, get a copy of the statute and regulations governing your organization.
 - Copies of provincial acts and their regulations are available online at www.qp.gov.ab.ca or by contacting the Queen's Printer. See [Getting Professional Help](#) in the Resources section for contact information.
 - The federal *Canada Not-for-profit Corporations Act* S.C. 2009 c. 23 is available online at <http://laws.justice.gc.ca> or by contacting Corporations Canada. See contact information in [Getting Professional Help](#) in the Resources section.
- Add a copy of the act and regulations to your binder behind Tab 4.



See [Getting Professional Help](#) in the Resources section for contact information for the Charities Directorate.

Tab 5 – Policies and Practices

In making decisions in your organization, you must not only follow your constitution and your governing statute, you must also follow the previous policies and decisions that your board and general membership have made. These decisions may have been made at board meetings or at annual and special general meetings.

Your organization's policies are different from its bylaws. Policies do not form part of your constitution but are still internal rules that your organization must follow. They are usually made by the Board through formal motions. You will probably find your organization's policies in minutes of your annual general meeting, board meetings, or special meetings of members. However, someone in your organization may also keep a separate record of all your organization's policies.

Worksheet: Organizing your policies

From time to time your board or members may pass motions creating policies dealing with matters such as

- conflict of interest
 - strategic planning
 - personnel matters
 - financial practices and procedures
 - operating practices and procedures
 - meeting attendance
 - orientation and training of board members, staff, and volunteers
 - reimbursement of expenses
 - nomination and recruitment of board members
- Put a copy of all of these policies behind Tab 5 in your Organizational Binder.
- If your organization is large, you may have too many policies to make that practical. In that case, you may want to create a separate Policy Binder or even several policy binders. If so, put a list of the policies in your Organizational Binder.
- Note any key dates arising from policies on your Organizational Calendar.

Tabs 6 – 14 Completing Your Organizational Binder

Now that you have your organization's major legal documents in its Organizational Binder, you can fill in the rest of it when you have time.

Tabs 6 – 9: Minutes

- Keep at least two years' worth of minutes in your Organizational Binder. (Your organization should keep a complete set of minutes in its other files.)
- After every Annual General Meeting (AGM), remove the oldest minutes to make room for the next year's. However, before you remove them, note any policy decisions in the Policies and Practices section (Tab 5) of the Organizational Binder or in your organization's Policy Binder.
- Add any key dates to your Organizational Calendar.
- Repeat each year

Tab 10: Financial Reports

- Get a copy of the minutes of the banking resolution that gives signing authority to specific individuals and put them in your Organizational Binder.
- Keep at least two years' worth of financial records in your Organizational Binder.
 - annual budget
 - your audited financial statements, and
 - monthly or quarterly financial statements you receive as a board member.

However, before removing the financial records make notes of any continuing or recurring financial issues and put the notes in this section of your Organizational Binder (Your organization should keep a set of financial reports in its other files).

- Repeat after every AGM.
- Your Board may also want to keep a copy of your organization's annual income tax or charitable return here.
- Note any key dates on your Organizational Calendar.

Tab 11: Contractual Obligations

- Keep a copy of your organization's current contracts in this section of your Organizational Binder.
 - If there are too many contracts or they are too long to put in your binder, make notes of the parties to each contract, the nature of the contract, the important terms of the contract, and any deadlines that must be met by your organization or the other parties. Put these notes in your Organizational Binder behind Tab 11.
- Be sure your Board reviews its contracts regularly.
- Note any key dates on your Organizational Calendar.

Tab 12: Proposals and Grants Awarded

- Keep a copy of your organization's funding agreements in this section of your Organizational Binder.
 - If there are too many proposals or grant agreements or they are too long to put in your binder, make notes of the parties to each agreement, the nature of the proposal, the important terms of the agreement, and any deadlines that must be met by your organization or the other parties. Put these notes in your Organizational Binder behind Tab 12.
- Be sure your Board reviews the proposals and grants regularly.
- Note any key funding-related dates on your Organizational Calendar.

Tab 13: Leases and Rentals

- Keep a copy of your organization's rental agreements or leases in this section of your Organizational Binder.
 - If there are too many agreements or they are too long to put in your binder, make notes of the parties to each agreement, the nature of the agreement, the important terms of the agreement, and any deadlines that must be met by your organization or the other parties. Put these notes in your Organizational Binder behind Tab 13.
- Be sure your Board reviews its rental agreements and leases regularly.
- Note key rental and lease dates on your Organizational Calendar.

Tab 14: Insurance

- Keep a copy of your organization's insurance policies in this section of your Organizational Binder.
 - If there are too many or they are too bulky to make this practical, prepare a summary as suggested above for contracts and other kinds of agreements and keep the summaries in your Organizational Binder behind Tab 14.
- Be sure your Board reviews its policies on a regular basis so you know what they cover and especially whenever there is a material change (e.g., new program, buying or renting a facility, increase in contents)
- Note key renewal dates on your Organizational Calendar

Contractual Obligations for _____ Year

Parties to the Contract	What the Contract is About	Section Number	Important Terms	Deadlines

Date Updated: _____ by: _____ Name _____ Page _____
Day / Month / Year

Proposals and Grants Awarded for _____ Year

Parties to the Agreement	What the Grant is For	Important Terms	Deadlines

Date Updated: _____ by: _____ Name _____ Page _____

Leases and Rentals for _____ Year

Parties to the Agreement	What the Lease is For	Important Terms	Deadlines

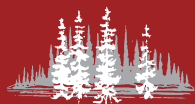
Date Updated: _____ by: _____ Page _____
Day / Month / Year Name

Worksheet: Keeping your binder current

Congratulations on creating your Organizational Binder! Now your Board has a handy reference of important organizational deadlines and documents. Your Organizational Binder also contains answers to many legal questions that may arise as your board goes about its work.

- Insert a copy of the organization's [Legal Documents Checklist](#) in the front of your Organizational Binder.
- Choose someone on your board or staff to be responsible for
 - keeping the Organizational Binder up-to-date;
 - taking the Organizational Binder to all meetings; and
 - adding any new deadlines to the Organizational Calendar.
- Check your Organizational Calendar at Board meetings on a monthly basis to make sure you are meeting your deadlines.
- Set a date to review your Organizational Binder at least once a year to make sure it is up-to-date.
- Make sure all new board members review the Organizational Binder when they start.

Resources



The Muttart Foundation

Legal and Ethical Duties of Directors
of Not-for-Profit Organizations

Contents

Legal Documents Checklist

Getting Professional Help

Finding legal assistance

Information Sources of Interest

Samples of Key Corporate Documents

A Guide To Searching Government Registries

Corporate Registry

Canada Revenue Agency – Charities Directorate

Charitable Fund-raising Registry – Alberta

Numbers, Numbers, Numbers

Corporate Number

Business Number (BN)

Charitable Fund-raising Number (Alberta)

Glossary

Evaluation form

Legal and Ethical Duties of Directors of Not-for-Profit Organizations

Legal Documents Checklist

Organizational Calendar

- Start an Organizational Calendar.
- Assign someone to keep it up-to-date.
- Find out when Annual Returns are due and note the dates in your Organizational Calendar. Also note who is responsible for preparing and filing the Annual Returns.
- Find your organization's federal or provincial corporate number, Business Number (BN), charitable registration number (if appropriate), and charitable fund-raising number (if appropriate) and note these numbers on your Organizational Calendar.
- Make sure you have included key dates relating to your organization's contracts, funding agreements, and lease arrangements.
- Review and update your Organizational Calendar monthly.

Key Contacts

- Create a list of key contacts for your organization.
- Assign someone to keep it up-to-date.
- Find out who your organization's lawyer is.
 - Check to see if the contact information in your Organizational Binder is correct.
- Find out who your organization's auditors are.
 - Check to see if the contact information in your Organizational Binder is correct.
- Find the location of your organization's Registered Office.
 - Check to see if the contact information in your Organizational Binder is correct.
- Add the names and contact information for board members and senior staff members.
 - Check to see if the contact information in your Organizational Binder is correct.
- Add names and contact information for other key people (eg your funders, bank manger, building supervisor, emergency services) that your board may need to contact quickly.
 - Check to see if the contact information in your Organizational Binder is correct.
- Update your Key contacts after every AGM or whenever board members change.
- Update your Key Contacts whenever there is a change in senior staff or other important people.

Constitutional Documents

- Get a copy of your organization's constitution and read it. If you are uncertain as to the documents that make up your constitution, see chart on [page 14 of Organizing Your Corporate Documents](#).
- Make a note of any deadlines or other important dates on your Organizational Calendar.
- Put a copy of the constitution behind Tab 3 in your Organizational Binder.
 - Has it been amended? Add any amendments to your binder.
- Review your constitution yearly before your organization's Annual General Meeting.
- Find out if your organization is a registered charitable organization.

Governing Statute

- Get a copy of the legislation that your organization was incorporated under and read it.
- Make a note of any deadlines or other important dates on your Organizational Calendar.
- Put a copy of the legislation behind Tab 4 in your Organizational Binder.
- Review your governing statute yearly before your Annual General Meeting.

Policies

- Get a copy of any policies your organization has and read them.
- Make a note of any deadlines and add them to your Organizational Calendar.
- Put a copy of these policies in your binder behind Tab 5.
- Review your policies yearly at the first Board meeting after the Annual General Meeting.

Minutes

- Get a copy of the last two years' minutes of your Board and read them.
 - Note the key issues your board has been dealing with.
 - Note the matters that still need to be dealt with.
 - Add notes on these matters behind Tab 6 in your Organizational Binder.
- Make a note of any deadlines or other important dates in your Organizational Calendar.
- Put a copy of these minutes behind Tab 6 in your Organizational Binder.
- Get a copy of minutes of the last two years' members' meetings, the Annual General Meeting (AGM), and any other special meetings that were held.
 - Note the issues that were raised.
 - Note the matters that still need to be dealt with.
- Make a note of any deadlines or other important dates in your Organizational Calendar.
 - Put these minutes and your notes on these matters behind Tabs 7, 8, and 9 as appropriate.

Finances

- Get a copy of the minutes of the banking resolution that gives financial signing authority to specific individuals.
- Note the names of those people on the Key Contacts directory behind Tab 2 of your Organizational Binder.
- Put a copy of these minutes behind Tab 11 of your binder.
- Get a copy of the budgets and financial reports for the last two years and read them. If they are not clear, ask the President, Treasurer, or the Executive Director to explain them to you.
 - Note your organization's major sources of revenue.
 - Note your organization's major expenses.
 - Note your organization's debts.
- Make a note of any deadlines or other important dates in your Organizational Calendar.
- Put a copy of the budgets and financial records behind Tab 11 in your Organizational Binder.
- If your organization is a registered charitable organization, find your organization's Business Number and charitable suffix and add it at the top of your Organizational Calendar.
- Ask if your organization is actively fund-raising. If so, find your organization's charitable fund-raising number, if required, and add it at the top of your Organizational Calendar.

Contracts, Grant or Operating Agreements, Leases

- Get a copy of any current contracts, grant agreements, and leases your organization has signed and read them.
- Make a note of any deadlines and add them to your Organizational Calendar behind Tab 1.
- Put a copy of the contracts, grant agreements, and leases behind Tab 12, 13, and 14 in your Organizational Binder as appropriate.
 - If there are too many contracts or they are too long to put in your binder, make notes of the parties to each contract, the nature of the contract, the important terms of the contract, and any deadlines that must be met by your organization or the other parties. Put these notes in your Organizational Binder behind the appropriate tabs.

Insurance

- Get a copy of your Directors and Officers Liability insurance policy, your Comprehensive Insurance policy, or any other insurance policies and read them.
- Make a note of any deadlines or renewal dates and add them to your Organizational Calendar behind Tab 1.
- Put a copy of the policies behind Tab 15 in your Organizational Binder.

Getting Professional Help

Most not-for-profit organizations have few legal problems. They may need help getting incorporated and then operate for years without needing any other kind of legal help. However, when problems arise, it is usually best to get help quickly before a small problem becomes a much larger one.

Some lawyers will provide some services to not-for-profit organizations for free. Many will donate their own time. However, often legal work involves paying filing fees, couriering documents, or paying for the work done by other people. Often lawyers are not willing to pay for these out-of-pocket expenses.

Finding legal assistance

The Lawyer on Your Board

Many organizations have adopted the practice of including at least one lawyer on their board. They hope by doing so that they will have easy access to legal advice when they need it. If you have a lawyer on the board, check to see if your lawyer is comfortable playing this role. Your lawyer may not practice in the relevant field of law or may not always have the time to do your organization's legal work.

Word of Mouth

One of the best ways of finding a lawyer is to get a referral from a satisfied client. Ask someone who sits on another board who they use and whether they have been happy with the service they have received.

Lawyer Referral

www.lawsociety.ab.ca/public/lawyer_referral.aspx

The Law Society of Alberta maintains a telephone service to help people find a lawyer who lives in the person's community and who practices the type of law the person needs. They may be able to help you locate a suitable lawyer. Phone (403) 228-1722 in Calgary or 1-800-661-1095 toll free from other points in Alberta.

Pro Bono Students Canada

The Pro Bono Students Canada Project matches law students with eligible non-profit organizations to provide free legal services under the supervision of a lawyer. Alternatively, students may be matched with individual lawyers requiring assistance with pro bono files. PBSC does not provide direct assistance to individuals.

For assistance in Edmonton:

Emily Murphy House 1
11011 - 88 Avenue NW
Edmonton, AB T6G 0Z3
Phone: (780) 492-8287
Fax: (780) 492-7574
Email: pbsc@ualberta.ca
www.slsedmonton.com/pbsc/index.html

For assistance in Calgary:

University of Calgary. Faculty of Law
Room 2390, Murray Fraser Hall
2500 University Drive NW
Calgary, AB T2N 1N4
Phone: (403) 220-2690 Fax: (403) 282-8325
Email: probonos@ucalgary.ca
www.ucalgary.ca/probono/



Discuss all fees and costs with your lawyer to be sure you understand how you will be charged and what you will be charged for.

Information Sources of Interest

Alberta Board Development Program

www.culture.alberta.ca/BDP

The Board Development Program provides assistance to not-for-profit boards in the area of governance through workshops, consultations, training of volunteer instructors, resource materials, and special presentations to conferences and seminars. Contact the Board Development Program via email at bdp@gov.ab.ca or telephone (780) 427-2001 in Edmonton. From other points in Alberta call 310-0000 and ask to be connected to (780) 427-2001

Alberta Government Services

www.servicealberta.gov.ab.ca

AGS maintains a website that contains useful information on Alberta Registry Agents, Corporate Registry, incorporating not-for-profit organizations, forms, information for charities and donors, fundraising, registering a charity, and the like.

Consumer information on registry services (business, land, motor vehicles, charities and societies) and other matters is available at www.servicealberta.gov.ab.ca/Consumers_Licenses.cfm. Phone Toll free 1-877-427-4088, in Edmonton (780) 427-4088

Alberta Law Society Libraries

www.lawlibrary.ab.ca

The Alberta Law Society Libraries system is comprised of a network of libraries located in courthouses in Calgary, Drumheller, Edmonton, Fort McMurray, Grande Prairie, Lethbridge, Medicine Hat, Peace River, Red Deer, St Paul and Wetaskiwin. The libraries provide legal research and information services to the legal profession, court officers and the public in Alberta. You can access the libraries' collections and services in person, by telephone, facsimile, or e-mail. See the website for contact information for all locations or check your local telephone directory for the address and phone number of the courthouse nearest you.

Canada Revenue Agency

www.cra-arc.gc.ca

The Canada Revenue Agency (CRA) administers tax laws for the Government of Canada and for most provinces and territories; and various social and economic benefit and incentive programs delivered through the tax system.

Contact information for Alberta Tax Services Offices and Tax Centres – addresses, counter service hours, and fax numbers is available online.

Charities Directorate

www.cra-arc.gc.ca

The Canada Revenue Agency (CRA) registers qualifying organizations as charities, gives technical advice on operating a charity, and handles audit and compliance activities. Registered charities are required to file an annual return with the CRA, a portion of which is available to the public, and must meet certain requirements of the *Income Tax Act* concerning their expenditures and activities.

You can get copies of all forms, pamphlets, information circulars, and interpretation bulletins from the Charities Directorate or from any of the tax services offices. You can find forms and publications on the CRA website.

You can reach the Charities Directorate by calling:
1-800-267-2384 for toll-free, long-distance calls

Charity Law in Canada: An Annotated Bibliography of Selected Web Resources

www.charitycentral.ca

This bibliography identifies web resources that provide information about the law governing charities in Canada at both the federal and provincial levels. It identifies the key Canadian agencies that use the web to provide information about charity law and regulation.

Corporations Canada (Industry Canada)

www.ic.gc.ca

Industry Canada is responsible for federally incorporated organizations. Information on how to incorporate a not-for-profit can be found on the Corporations Canada site under the subject Not-for-profit Organizations.

For further information contact Corporations Canada:

Telephone (toll-free in Canada): 1-866-333-5556
Telephone (National Capital Region and outside Canada): 613-941-9042
Fax: 613-941-4803

Government of Canada – Publications

<http://publications.gc.ca>

You can order free and priced publications published by the Government of Canada by telephone, fax, regular mail or online. Information is available online.

The site also lists bookstores located in Alberta cities which are registered to sell Government of Canada publications. The bookstore will be able to order a publication for you, or it may have the item in stock.

Hours of operation: Monday to Friday 8 a.m. to 5 p.m. ET
Telephone: 1-800-635-7943 or 613-941-5995
TTY: 1-800-465-7735

By fax: 1-800-565-7757 or 613-954-5779
By mail: Publishing and Depository Services
Public Works and Government Services Canada
Ottawa ON K1A 0S5

Imagine Canada

www.imaginecanada.ca

Imagine Canada's mission is to advance knowledge and relationships to foster effective and sustainable charitable and non-profit organizations.

2 Carlton Street, Suite 600 Toronto, ON M5B 1J3

Phone: 416-597-2293

Fax: 416-597-2294

Toll free: 1-800-263-1178

E-mail: info@imaginecanada.ca

Sector Source Library

<http://sectorsource.ca/>

Sector Source connects charities and nonprofits with resources and information that help them develop their organizations and get the job done for the communities they serve.

LawNow

www.lawnow.org

LawNow is an electronic newsletter about the law, the legal process, and the relationship of law to life in Canada. Articles frequently address issues of interest to the not-for-profit sector.

Mount Royal College, Faculty of Continuing Education and Extension Nonprofit Studies and Research

www.mtroyal.ab.ca/nonprofit

Mount Royal University brings together education, training and research tailored to meet the rapidly changing needs of the nonprofit sector. It works in collaboration with the nonprofit community, business and other post-secondary institutions to ensure curriculum meets the most important needs.

4825 Mount Royal Gate S.W. Calgary, AB T3E 6K6

Fax: 403-440-8811

Phone: 403-440-6013

Toll free: 1-888-392-3655

Not-for-Profit & Charity Law

www.law-nonprofit.org and www.charitycentral.ca

This website provides information on not-for-profit and charity management; liability of directors, volunteers, and employees; fund-raising law; and tax law. Information is presented through the LawNow reprint series and Frequently Asked Questions (FAQs). Charity law news items and links to other sites of interest are also included.

Queen's Printer

www.qp.gov.ab.ca

The Alberta Queen's Printer publishes, distributes and sells Alberta's Acts, Regulations and various legislation-related materials. In addition to online purchasing, government and the public can access Alberta's laws free online through the Internet.

Volunteer Alberta Resource Centre (VARC)

www.rcvo.org

VARC offers a wide range of services to support the effort of voluntary organizations. It has an extensive collection of articles, periodicals, and books related to nonprofit board governance and management and leadership issues.

#217 Birks Building
10113 - 104 Street
Edmonton AB T5J 1A1

To make an appointment to visit VARC, call 780.482.3300 ext. 232.

E-mail: rcvo@macewan.ca

Legal Documents
Checklist

Getting
Professional Help

Samples of Key
Corporate Documents

A Guide to Searching
Govt Registries

Numbers, Numbers,
Numbers

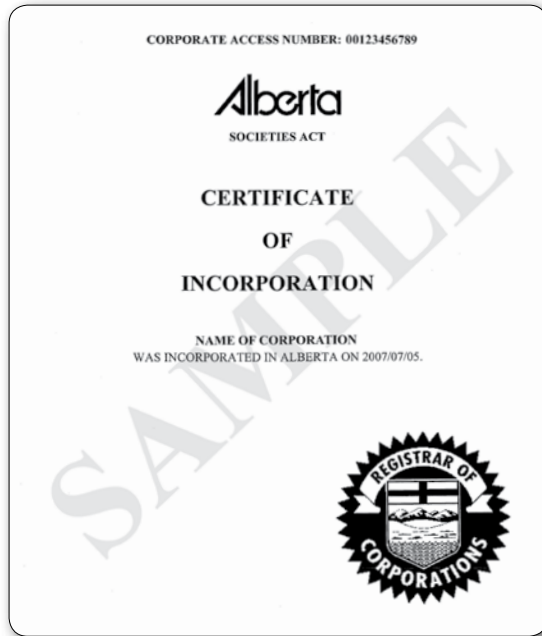
Glossary

Evaluation Form

Samples of Key Corporate Documents

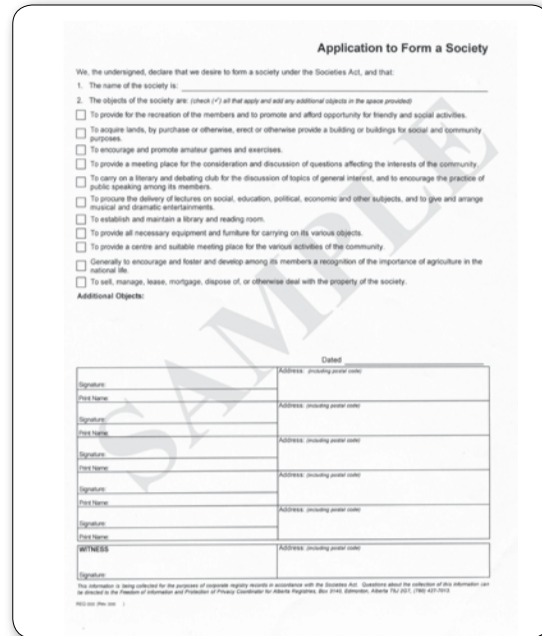
Alberta Societies Act Incorporation

Sample: Alberta Societies Act Certificate of Incorporation



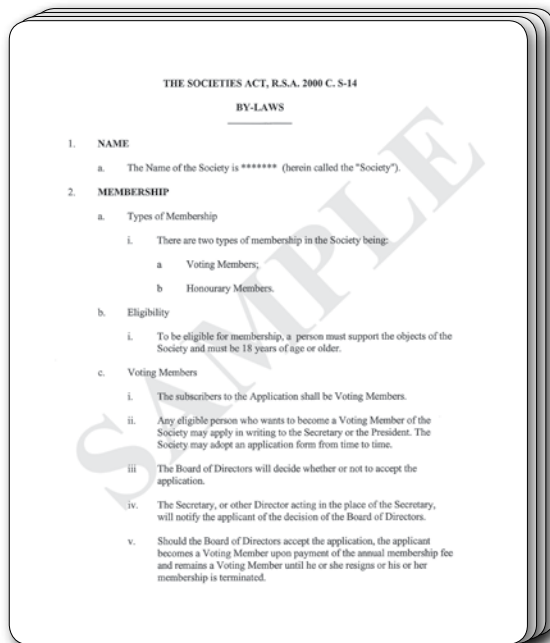
Sample: Alberta Societies Act Application to Form a Society

www.servicealberta.ca



Sample: Alberta Societies Act Bylaws

www.servicealberta.ca



Alberta Companies Act Incorporation


Sample: Alberta Companies Act Certificate of Incorporation

CORPORATE ACCESS NUMBER: 00123456789

Alberta
COMPANIES ACT

**CERTIFICATE
OF
INCORPORATION**

NAME OF CORPORATION
WAS INCORPORATED IN ALBERTA ON 2005/03/18 AS A COMPANY LIMITED BY SHARES.



Sample: Alberta Companies Act Memorandum of Association

Form 3
Memorandum of Association of a Company Limited by Guarantee

- The name of the company is "Limited (or Ltd.)."
- The objects for which the company is established are:
- The liability of the members is limited.
- Every person who is a member of the company undertakes to contribute to the assets of the company in the event of its being wound up while the person is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before the person ceases to be a member, and for the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding \$

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a company pursuant to this Memorandum of Association.

(Full Names, Addresses and Occupations of Subscribers.)

Dated

Witness to the above signatures:

Full Name
Address
Occupation

(Note: If the company has a share capital, the following must be substituted for the memorandum after the clause 4:

- The share capital of the company is \$ divided into shares of \$ each.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a company pursuant to this Memorandum of Association, and we respectively agree to take the number and class of shares in the capital of the company set opposite our respective names.

And in addition to each subscriber's name and address and occupation, there must be shown opposite each name the number and class of shares each subscriber takes.)

Sample: Alberta Companies Act Articles of Associations

RECEIVED
APR 29 1975
OFFICE OF THE REGISTRAR OF COMPANIES
PROVINCIAL OFFICE OF ALBERTA LTD.

REGISTERED
MAY 12 1975
THE REGISTRAR OF COMPANIES
PROVINCE OF ALBERTA

Memorandum of Association

The name of the Company is _____

(2) The objects for which the Company is incorporated are:

- to contribute to, advance and promote the legal knowledge and education of the people of Canada.
- to develop, sponsor, provide, promote, produce, distribute and evaluate programs, materials, resources and facilities for legal education.
- to establish, maintain and operate legal resource centres and libraries.
- to conduct any research and to act as consultant in respect thereof either as principal or agent.
- to establish and conduct a school or schools and to provide for the delivery and holding of lectures, classes, conferences, exhibitions and meetings.
- to publish, distribute and deal in all books, magazines, periodicals, pamphlets, leaflets, text-books, publications, audio, visual and audio-visual materials, supplies and resources of every kind.
- to act as a consultant to individuals and groups in matters relating to legal education.
- to purchase, lease, take in exchange or otherwise

Canada Not-for-profit Corporations Act Incorporation

Sample: Articles of Incorporations under Canada Not-for-profit Corporation Act (Form 401) <https://www.ic.gc.ca/>

Sample: Model by-laws under the Canada Not-for-profit Corporations Act <http://www.ic.gc.ca/>

Sample: Articles of Continuance (Form 4031) <https://corporationscanada.ic.gc.ca>

Relevant Legislation

Sample: Alberta *Societies Act*
www.qp.alberta.ca

Sample: Alberta *Companies Act*
www.qp.alberta.ca

SOCIETIES ACT
 Chapter S-14

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- 6 Name of society
- 7 Revocation of name
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COMPANIES ACT
 Chapter C-21

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- 5 Winding-up
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- Part 2**
- General Provisions**
- 8 Extra-territorial capacity of Provincial corporations
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- 10 Use of word "limited", etc.
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- 13 Powers of companies
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- Incorporation and Organization**
- Division 1**
- Memorandum of Association**
- 15 Formation of companies
- 16 Company limited by shares
- 17 Company limited by guarantee
- 18 Use of Limited or Ltd.
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- 20 Powers of company
- Division 2**
- Articles of Association**
- 21 Company with share capital

Sample: Federal *Canada Not-for-profit Corporations Act (NFP Act)*
<http://laws-lois.justice.gc.ca/eng/acts/C-7.75>

S.C. 2009, c. 23 L.C. 2009, ch. 23

An Act respecting not-for-profit corporations and certain other corporations
 Loi régissant les organisations à but non lucratif et certaines personnes morales

[Assented to 23rd June 2009] [Sanctionnée le 23 juin 2009]

Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:
 Sa Majesté, sur l'avis et avec le consentement du Sénat et de la Chambre des communes du Canada, édicte:

SHORT TITLE TITRE ABRÉGÉ
 1. This Act may be cited as the *Canada Not-for-profit Corporations Act*. 1. *Loi canadienne sur les organisations à but non lucratif*.

PART I PARTIE I
INTERPRETATION AND APPLICATION DÉFINITIONS ET APPLICATION
DEFINITIONS DÉFINITIONS ET INTERPRÉTATION

2. (1) The following definitions apply in this Act. 2. (1) Les définitions qui suivent s'appliquent à la présente loi.

«activities» «activités» includes any conduct of a corporation to further its purpose and any business carried on by a body corporate, but does not include the affairs of a body corporate. «activité» S'entend notamment de tout acte accompli par l'organisation et visé par sa déclaration d'intention et de toute activité commerciale de la personne morale. Sont exclues les affaires internes de celle-ci.

«affairs» «affaires» means the relationships among a corporation, its affiliates and the directors, officers, shareholders or members of those bodies corporate. «affaires internes» Les relations entre l'organisation, les personnes morales appartenant au même groupe et leurs membres, actionnaires, administrateurs et dirigeants.

«articles» «articles» means original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement, dissolution or revival. «assemblée» Assemblée de membres.

«body corporate» «personne morale» «corporation» «organisation» "body corporate" includes a company or other organization with legal personality wherever or however incorporated. «convention unanime des membres» Convention visée au paragraphe 170(1). Y est assimilée la déclaration d'un membre visée au paragraphe 170(2).

«administrator» «administrateur» Independamment de son titre, le titulaire de ce poste.

«affiliate» «affilié»

«shareholder» «actionnaire»

«member» «membre»

«organization» «organisation»

Registered Office

Sample: Alberta Notice of Registered Head Office

www.servicealberta.ca

This is a form titled "Notice of Address or Notice of Change of Address" under the Business Corporations Act, Section 20. It contains several sections for providing corporate information:

- 1. Name of Corporation** and **2. Corporate Access Number**: Two input fields.
- 3. Address of Registered Office**: A section for the P.O. Box number (noted as not to be used by a Society), followed by fields for Street, City/Town, Province, and Postal Code. An "OR" section follows with fields for Legal Land Description, Section, Township, Range, and Meridian.
- 4. Records Address**: A section for the P.O. Box number (noted as not to be used), followed by fields for Street, City/Town, Province, and Postal Code. An "OR" section follows with fields for Legal Land Description, Section, Township, Range, and Meridian.
- 5. Address for Service by Mail**: A section for the P.O. Box Only, City/Town, Province, and Postal Code. A note states: "NOTE: If this is a change, please read instructions carefully."

At the bottom, there are fields for Authorized Signature, Name of Person Authorizing (sees print), Date, Telephone Number (sees print), and Identification (not applicable for societies and non-profit companies). A small disclaimer at the very bottom states: "The information is being collected for the purposes of corporate registry records in accordance with the Business Corporations Act. Questions about the collection of this information can be directed to the Privacy Information and Protection of Privacy Coordinator for the Alberta Government, Box 2143, Edmonton, Alberta T6C 2C2. (780) 427-3010."

Sample: Federal Notice of Registered Head Office

www.ic.gc.ca/eic/site/cd-dgc.nsf/eng/h_cs02145.html

This is a sample letter titled "ANNEX 1 Sample Letter to Corporations Canada for Amending the Place of the Head Office". It is addressed to Corporations Canada, Industry Canada, 9th Floor, Jean Edmonds Towers South, 365 Laurier Avenue West, Ottawa, Ontario K1A 0G8.

The letter includes the following information:

- Date:** _____
- Corporate Number:** _____

Option 1
Enclosed are:
1. A copy of a single purpose by-law amending the place of the head office certified under the seal of the corporation; and
2. A copy of the Canada Gazette notice.
The street address of the head office is: _____

Option 2
Enclosed is a copy of a single purpose by-law amending the place of the head office certified under the seal of the corporation.
We confirm that notice of this change [will be published in the Canada Gazette / was published in the Canada Gazette on _____, 20__]. (The notice must be bilingual.)

I hereby certify that I have the relevant knowledge of the corporation and that I am authorized to sign and submit this application.

SIGNED: _____
Authorized officer (e.g., President)

NAME: _____ (Corporate Seal)
ADDRESS: _____
TELEPHONE NUMBER: _____

Sample: Form 4002 – Initial Registered Office Address and First Board of Directors

<http://www.ic.gc.ca>

This is Form 4002, titled "Initial Registered Office Address and First Board of Directors". It is a form for non-profit corporations under the Canada Not-for-profit Corporations Act (NFP Act).

1. Corporate name: _____

2. Complete address of the registered office (cannot be a post office box):
Number and street name: _____
City: _____ Province or Territory: _____ Postal code: _____

3. Directors of the corporation (if more than one, list them; complete attached schedule):

First and last name	Address (cannot be a post office box)

4. Declaration:
I, _____, being _____, do hereby certify that I am an incorporator of the new corporation, or that I am a director or an authorized officer of the corporation continuing into or reorganizing under the NFP Act.
Signature: _____
Print name: _____ Phone Number: _____

Note: A person who makes, or assists in making, a false or misleading statement in goods of an address and false or otherwise untruthful information in a file of not more than \$5,000 or to incorporation for a term of not more than six months or to create (subsection 18(1)) of the NFP Act.

A Guide To Searching Government Registries

Corporate Registries

Both the federal and provincial governments can incorporate not-for-profit organizations and they both maintain registries of those organizations that they have incorporated. At several places in this work book we suggest that you might want to do a search of either or both government registries:

- To find out if an organization is incorporated
- To find its corporate numbers
- To get a copy of its constitution
- To find out if its constitution has been amended
- To get a copy of any amendments to the constitution that have been filed
- To find its registered office

If you know where your organization was incorporated you only need to search the registry for that level of government. However, if you are not sure whether your organization was incorporated provincially or federally, you may need to search both registries.

Registry of Charitable Organizations

All charities must be registered with the Canada Revenue Agency to receive charitable tax benefits and to issue tax deduction receipts. To find out if your organization is a registered charity, search the Registry of Charitable Organizations.

Charitable Fund-raising Registry

An organization that wants to carry out a public fund-raising campaign in Alberta may need to be registered with Alberta Government Services. To find out if your organization has registered, search the Charitable Fund-raising Registry.



Some provincial Registry Agents will also search the federal registry. Ask about this service when choosing your Registry Agent.

Be sure to ask about fees before you order a search.

Corporate Registry

Alberta

Organizations incorporated under Alberta statutes are registered in the Government of Alberta Corporate Registry. The Corporate Registry System (CORES) contains information on corporations, non-profit companies, societies, partnerships, and trade names registered in Alberta. Corporate Registry keeps track of the organization's status based on annual returns or other documents that it requires organizations to file from time to time. These include a change in the organization's directors or its registered office. These are considered to be "public" documents and may be looked at by anyone. However, only lawyers and special registry agents have direct access to the Registry. That means that anyone who wants to do a search of Corporate Registry has to go to a lawyer or a registry agency to have the search done. Corporate Registry, lawyers and registry agencies charge fees for their services.

The Alberta Government Corporate Registry website at www.servicealberta.gov.ab.ca has a great deal of information about the province's Corporate Registry, authorized registry agents, service levels and fees. Not all registry agents provide all Corporate Registry services. Some registry service providers provide downloadable forms for searches on corporate status, corporate searches and NUANS (Newly Upgraded Automated Names Search at www.nuans.com) requests. You may find it helpful to browse the site for more information. If you do not have access to the Internet you can call Alberta Registries. See Getting Professional Help for contact information.

Conducting a Search of the Alberta Corporate Registry

You or anyone else can do a search of the registry

- To find out if an organization is incorporated
- To get a copy of its constitution
- To find your organization's corporate number
- To find out if its constitution has been amended
- To get a copy of any amendments to the constitution that have been filed
- To find its registered office

It will be more efficient for you if you do your searches of the Alberta Corporate Registry all at once.

- Do a list of all searches you need
- Choose a Registry Agent
 - You can find the location of your nearest registry agency at www.servicealberta.gov.ab.ca. If you do not have access to the Internet, call Toll free 1-877-427-4088, in Edmonton 780-427-4088
 - The Registry Agent will provide you with the required form(s) for the search or searches that you want.

- You will need to provide the registry agent with the full and accurate name of your organization or the organization you are searching.
 - The registry agent will charge you a fee.
- If you think you may also need to search the federal registry check to see if your Registry Agent will also do that search for you.

Federal

The registry of federally incorporated not-for-profit corporations is maintained by Industry Canada. Anyone can search the federal corporations database free of cost.

Conducting a Search of the Corporations Data On-Line

You or anyone else can do a search of the registry

- To find out if an organization is incorporated
- To find the organization's corporate number
- To find out if it has been filing its annual reports and annual summaries
- To find its registered office
- To find its business number

It will be more efficient for you if you do your searches all at once.

- Do a list of all searches you need.
- The database can be found on the Industry Canada website at All Topics: Corporations: Find a corporation. www.ic.gc.ca
- Searches can be performed by Corporate Number, name, business number, creation date, city, province, corporation status or Act.
- If you do not have access to the Internet see Corporations Canada (Industry Canada) contact information in [Getting Professional Help](#).

Obtaining a copy of incorporation and related documents

To obtain a copy of a federally incorporated not-for-profit's constitution (Letters Patent and by-laws) and any amendments, fax your request to Corporations Canada (Industry Canada) at 1 (613) 941-5789. As of the time of writing this workbook, the cost for this is \$1/page. These charges may be paid by credit card. To do so, include the credit card number, expiry date, and name of cardholder in the fax.

Canada Revenue Agency – Charities Directorate

The Charities Directorate of the Canada Revenue Agency maintains a list of over 80,000 charities registered with the CRA. The list includes the name of the charity, Business Number (BN)/Registration Number, mailing address, designation type, category code, and - when available - the charity's annual information returns starting with the 2000 T3010A, Registered Charity Information Return.

Conducting a Search of Canadian registered charitable organizations

You or anyone else can do a search of the registry

- To find out if your organization is a registered charitable organization
- To find out if it is in good standing
- To find its contact information for the purposes of receiving notices from the CRA

To search the online directory go to the Charities Listing segment of www.cra-arc.gc.ca. Searches can be conducted using the charity name, Business Number(BN)/Registration Number or other fields. Instructions about searching the list are available on the site.

If you do not have access to the Internet see the Charities Directorate contact information in [Getting Professional Help](#).

Charitable Fund-raising Registry – Alberta

This is an online registry of incorporated or unincorporated organizations formed for a charitable purpose, as defined by the *Charitable Fund-raising Act*, who are licensed to solicit funds in Alberta.

Conducting a Search of the Charitable Fund-raising Registry

You or anyone else can do a search of the registry to find out if your organization is licensed to carry out a public fund-raising campaign in Alberta.

- To search for a charitable organization licensed under the Alberta *Charitable Fund-raising Act* see information at www.servicealberta.gov.ab.ca
- Refine your search by selecting “Charitable Organization” from the dropdown menu of License Type.

If you do not have access to the Internet see Alberta Government Services contact information in [Getting Professional Help](#).

Numbers, Numbers, Numbers

The various federal and provincial departments that deal with corporations assign them unique numbers to help keep track of their records. If your organization deals with more than one government department, it may have to keep track of several numbers for use when filing documents or locating information. For example, your organization may have

- a Corporate Number (federal or provincial),
- a Business Number (Canada Revenue Agency), and
- a Charitable Fund-raising Number (Alberta)

Corporate Number

Alberta

Organizations that incorporate under Alberta legislation are assigned a corporate access number at the time they incorporate.

- Your corporate access number may be on your organization's Certificate of Incorporation or in files where you keep government correspondence or on the annual returns that are sent to you.
- If you are unable to locate your organization's corporate access number in your organization's files you can do a search of the Alberta Corporate Registry. For information on how to search the registry see [A Guide to Searching Government Registries](#). To find contact information for the registry see [Getting Professional Help](#).
- Note your corporate access number on your Organizational Calendar.

Federal

Organizations that incorporate under federal legislation are assigned a corporate number at the time they incorporate. That number is to be used when dealing with any federal government department.

- Your organization's corporate number may be on your organization's Certificate of Incorporation or in files where you keep government correspondence or on the annual returns that are sent to you.
- If you are unable to locate your organization's corporate number in your organization's files, you can search the federal Corporations Data On-line registry. For information on how to search the registry see [A Guide to Searching Government Registries](#). To find contact information for Corporations Canada see [Getting Professional Help](#).
- Note your corporate number on your Organizational Calendar.

Business Number (BN)

The Canada Revenue Agency (CRA) deals with all corporations by using a Business Number (BN) as the main identification number. They then add additional suffixes to identify different “accounts” which your organization has with the government. Those accounts relate to your status as

- a registered charitable organization,
- an employer, or
- a GST registrant

If your organization is registered with the CRA it will have been given a nine digit Business Number (BN) plus two letters and four digits describing each account it has.

For example your BN Registration Number could look like this:

1	2	3	4	5
---	---	---	---	---

6	7	8	9
---	---	---	---

 (9 numbers)

These nine digits are your registration number. They identify your business. Your registration number is unique. It will stay the same no matter how many or what types of CRA accounts you have.

And your account number could look like this:

R	C
---	---

0	0	0	1
---	---	---	---

 Program Identifier (2 letters) and Reference Number (4 numbers)

The two letters identify the type of account; in this case, a corporate income tax number. The letters and accounts they identify are

- RC - corporate income tax
- RP - payroll deductions
- RR - registered charity
- RT - goods and services (GST) tax/harmonized sales tax

The last four digits identify the account number; in the example above, a corporate income tax account.

For example, a registered charitable organization’s BN could look like this:

1	2	3	4	5
---	---	---	---	---

6	7	8	9
---	---	---	---

R	R
---	---

0	0	0	1
---	---	---	---

- To find your Business Number look in your organization's files for a letter from the Canada Revenue Agency. The letter will confirm your organization's Business Number and any accounts opened, (eg GST, payroll, etc) along with a summary of the information your organization provided on Form RC1, *Request for a Business Number (BN)* submitted by your organization.
- If you cannot find a confirming letter, call the Canada Revenue Agency at 1-800-959-5525 and ask for the business number for your organization.
- If your organization is a registered charitable organization you might find your Business Number online by searching the List of Canadian Registered Charities at www.cra-arc.gc.ca
- Note your BN and any account identifiers on your Organizational Calendar

Charitable Fund-raising Number (Alberta)

An organization must be registered under the *Charitable Fund-raising Act* if

- it uses a fund-raising business, and/or
- it intends to raise more than \$25,000.00 in gross contributions in its financial year from solicitations (requests for contributions) to individuals in Alberta, or
- during or after the campaign it finds it has raised more than \$25,000.00. If so, the charity must register within 45 days after the contributions reach \$25,000.00.

The Act applies to any incorporated or unincorporated organization that is formed for a charitable purpose. It applies even if the organization is incorporated under the *Societies Act* or registered with the Canada Revenue Agency. It also applies to any person asking for contributions to be used for a charitable purpose or charitable organization, even if that person is not connected to any charitable organization.

- To find your organization's charitable fund-raising number look in your files for correspondence.
- You can search the Charitable Fund-raising Registry online to confirm if your organization is registered to fund-raise. For information on how to search the registry see [A Guide to Searching Government Registries](#).
- To find your organization's charitable fund-raising number, you can contact Service Alberta at (780) 427-4088 in Edmonton or toll free in Alberta at 1-877-427-4088. Information is also available online at www.servicealberta.ca
- Note your charitable fund-raising number on your Organizational Calendar.

Glossary

Absolute Majority

When a motion or nominee has the support of more than half of the voters.

Annulment

Under the *Income Tax Act*, the Minister of National Revenue can annul a registered charity's status if it was registered in error or if it has ceased to be a charity as a result of a change in law. A charity that has been annulled is deemed never to have been registered as a charity and, consequently, is not subject to revocation tax. However, an official donation receipt issued by a charity prior to the annulment of its registration is valid as long as it would have otherwise been valid.

Act

An individual piece of legislation passed by a government. This term is used interchangeably with "statute" except when used in the name of a specific act.

Amendment

Formal change to a statute, incorporation document, policy or motion.

Business Number (BN)

Numbering system used by Canada Revenue Agency (CRA) that simplifies and streamlines the way businesses deal with the federal government. It is based on the idea of one business, one number.

Bylaws

The portion of a corporation's constitution that sets out the internal rules by which the organization will be governed.

Charitable Fund-raising Number

Unique number issued to an organization licensed under the Alberta *Charitable Fund-raising Act*.

Corporate Access Number (Alberta)

Unique number issued to a corporation by the Alberta Corporate Registry Office upon registration of the organization. (Number is located on the top right corner of the Certificate of Incorporation document)

Corporate Number (federal)

Unique number issued by the government of Canada upon incorporation of an organization.

Consensus

A general agreement among the members of a given group or community.

Consensus Decision-Making

A process that not only seeks the agreement of a majority of participants, but also seeks to resolve or minimize the objections of the minority to achieve the most agreeable decision.

Constitution

The documents used to incorporate an organization. The specific documents will vary depending upon the statute that the organization is incorporated under. The constitution sets out the purpose of the organization and the way it is to be governed. The constitution is binding on the organization's directors and members.

Contract

A set of promises or an agreement that the courts will enforce.

Corporate Seal

A seal adopted and used by a corporation as part of its official signature.

Deregistration

See *revocation*.

Dissolution

The breaking down or ending of the organization - OR - The act of ending, terminating or winding up a company or state of affairs. For example, when the life of a company is ended by normal legal means, it is said to be "dissolved".

Federal Incorporation

Incorporation under a federal statute.

Fiscal Year

Period of 12 consecutive months chosen by an organization as its accounting period, which may or may not be a calendar year - or - the 12 months (or, for incorporated charities, a period of up to 53 weeks) covered by an organization's financial statements.

In good standing

A corporation that has complied with all statutory and regulatory requirements for filing of documents

Incorporation

The process of creating a corporation. These can include business corporations, co-operatives, not-for-profit companies, and societies. Incorporation takes place according to the specific requirements of an act passed by a province or the federal government.

Legislation

Acts or statutes passed by governments together with any regulations made under the authority of the statute.

Letters Patent

"Letters patent" refers to the document setting out an organization's corporate objects or purposes issued by a Minister or other representative of the Crown under certain federal or provincial legislation. In more modern corporate legislation Letters Patent have been superseded by Article of Incorporation or similar documents.

Majority

The number of people who must favour a motion before it can be carried. A "simple majority" is more than half the members voting, that is, 50 percent plus one additional person.

Majority Rule

The system of giving the largest group in a particular place or area the power to make decisions for everyone – OR – Rule by the choice of the majority of those who actually vote, irrespective of whether a majority of those entitled to vote participate.

Minutes

Written record of the decisions at a meeting.

NUANS

NUANS (Newly Upgraded Automated Name Search) is a computerized search system that, for the purposes of Corporate Registry, compares a proposed corporate name to a database of existing corporate names.

Objects

Aim or purpose, the thing sought to be attained or accomplished. A corporation's objects are stated in its constitution

Policy

A policy is a deliberate decision made by the Board that provides guidance for addressing identified objectives and concerns.

Quorum

The minimum number of people, as specified in the bylaws, required at each board meeting, general meeting, or special meeting for business to be legally carried out. In the absence of a quorum, most rules of order state that debate cannot continue.

Registered Office

Official location where official forms and notices must be delivered to the organization.

Revocation

Cancellation of a charity's registered charitable status. Action which may be taken by the Canada Revenue Agency when a charity has not met the filing requirements of the *Income Tax Act*. On revocation of a charity's registration:

- the charity is no longer exempt from tax, unless it qualifies as a non-profit organization;
- it cannot issue official donation receipts; and
- it may be subject to a tax equivalent to the full value of its remaining assets (revocation tax).

Statute

An individual piece of legislation passed by a government. It is used interchangeably with "Act" except when used in the name of a specific statute.

Struck

Removal of the corporation from the active status records of a corporate registry.

Winding Up

The process of settling the accounts and liquidating the assets of a corporation for the purpose of distributing any assets and dissolving the organization.

Year End

Final date of a fiscal year - OR - taking place at the close of a fiscal year;
eg. "year-end audit"

Legal Documents
Checklist

Getting
Professional Help

Samples of Key
Corporate Documents

A Guide to Searching
Govt Registries

Numbers, Numbers,
Numbers

Glossary

Evaluation Form

Evaluation form

Legal and Ethical Duties of Directors of Not-for-Profit Organizations

Which workbook have you been using? _____

How did you find out about this workbook?

- From a government agency
- From an educational institution
- From a community agency
- From a website
- Word of mouth
- Other

Did you find the workbook easy to understand?

Yes No

Was this workbook useful to you?

Yes Why? _____

No Why not? _____

What would make this workbook more useful to you?

What changes, if any, has your organization made as a result of using this workbook?

What topics would you like to see included in future workbooks?

Other comments?



Thank you for completing the evaluation.
Please mail or fax it to: The Muttart Foundation, Suite 1150, Scotia Tower One,
10060 Jasper Avenue, Edmonton, AB T5J 3R8