

By-law Checklist

What are By-laws?

By-laws are required as one of the essential steps under the Ontario Not-for Profit Corporations Act (ONCA). Bylaws are the procedural and technical rules of the corporation that describe how its affairs are to be conducted. In other words, how the general business of the corporation is to be carried out.

The By-laws reflect the way the Board is governed and often include:

The procedures to be followed when making certain decisions (example: electing the Board of Directors, Board quorum etc).

The general duties and responsibilities of the Officers and the Directors elected to the Board. (e.g., President, Secretary, Members at Large etc).

General housekeeping matters including such things as when meetings are held, voting procedures, the corporate books, and records of the Organization

Allow for meeting to be held electronically/virtually

Non-Profit and Non-Profit Charitable corporations must be compliant with the Ontario Not-for-Profit Act rules by October 18, 2024.

Do your by-laws:

- ❑ Outline criteria for membership (who can become Board members) – clients, parents, past Board members, community members,
- ❑ Provide for an Annual Meeting and other meetings of the membership
- ❑ Provide for the election of the Board of Directors
- ❑ Indicate the number of Directors to be elected
- ❑ Indicate the minimum number of meetings for the Board of Directors and the membership (membership meetings include the Annual Meeting or other special meetings called by the Board)
- ❑ Set quorum for Board meetings and for membership meetings
- ❑ Specify the term of office for Directors
- ❑ Provide direction for Vacation of office
- ❑ Describe the responsibilities of the positions on the Board

- ❑ Define confidentiality and non-disclosure responsibilities
- ❑ Define conflict of interest
- ❑ Outline the removal of officers who breach confidentiality, or found to be in a conflict of interest or who do not act in the best interest of the corporation
- ❑ Outline duties of the Directors
- ❑ Define the Voting process of the Board of Directors
- ❑ Define the Directors Fiduciary Duties and Standards of Conduct
- ❑ Provide for an audit or financial statement at the Annual Meeting
- ❑ Set the fiscal year
- ❑ Define Committees of the Corporation
- ❑ Contain an indemnification clause and conflict of interest clause
- ❑ Set criteria for amendments to the by-laws
- ❑ Provide for dissolution of the corporation

Remember, you only have 16 months to ensure that your By-laws are compliant with the ONCA by October 18, 2024. In most cases By-laws can only be amended at an Annual Meeting. This is a great opportunity for your organization to update those out-of-date By-laws and modernize your governance documents. We are offering an ONCA package. Please contact us for more information.

The information contained in this handout is intended as a general guide only and organizations must create their own policies. It is not intended to be relied on or replace professional legal advice. If legal advice is required for a specific issue or situation, organizations should contact a lawyer. Please be advised that TJ Solutions does not give legal advice.