

# alPHa ONCA Compliance Activities

## 2022 to 2024



Ontario's [Not-for-Profit Corporations Act \(ONCA\)](#) is a significant legislative update that replaced Ontario's Corporations Act on October 19, 2021 regarding not-for-profit corporations, including alPHa. The ONCA was introduced to enhance the legal framework governing not-for-profit organizations in the province of Ontario. It provides a comprehensive set of regulations tailored to meet the unique needs of non-profit corporations while promoting transparency, accountability, effective governance and to ensure due diligence.

The Association of Local Public Health Agencies (alPHa) has until October 18, 2024, to review, update, and file governing documents with the Ontario government or ONCA provisions will prevail. Until then, the rules in alPHa's articles and Constitution continue to be valid.

### **Why the changes and what are the changes?**

The main objectives of introducing the ONCA were as follows:

**Enhanced Governance:** The outdated Act did not provide comprehensive guidelines for effective governance, leading to potential issues with accountability and transparency. ONCA aims to strengthen the governance structures of not-for-profit corporations. It introduces clearer guidelines for Boards of Directors, Members, and Officers, enabling organizations to operate more efficiently and effectively.

**Improved Accountability:** The Act places a strong emphasis on financial accountability, requiring not-for-profit corporations to maintain accurate records, prepare financial statements, and undergo regular audits.

**Improved Flexibility:** The inflexibility of the previous legislation hindered the ability of not-for-profit corporations to adapt to changing circumstances and needs. ONCA streamlines the incorporation process and provides more flexibility in organizational structure. It allows for the customization of certain provisions, tailoring them to the specific needs and missions of individual organizations.

**Enhanced Member Rights:** The Act enhances the rights and protections of members of not-for-profit corporations, ensuring greater participation and representation in the decision-making processes.

**Modernization and Legislative Gaps:** The Ontario Corporations Act, which had been in place for decades, was outdated and unable to address the evolving needs and complexities of not-for-profit organizations. ONCA was designed to offer a modernized regulatory framework, aligning with current legal landscape and best practices. The ONCA provisions address modern challenges such as electronic communications, online governance, and virtual meetings.

**Harmonization with Federal Laws:** The ONCA aligns provincial regulations with the Canada Not-for-profit Corporations Act (CNCA).

Existing nonprofits are not required to pass new By-laws. However, alPHa has received legal advice to change to a By-law from the current Constitution of the Association of Local Public Health Agencies (Ontario). If alPHa does not ensure development of a By-law that aligns with, and reflects the applicable ONCA rules, the rules set out in the ONCA will prevail over alPHa's current Constitution.

Many organizations, such as the Ontario Municipal Association and others, have passed their new by-laws to come into compliance with ONCA.

**How do these changes impact alpha and its members?**

The ONCA represents a pivotal step forward in enhancing the governance, due diligence, accountability, and overall operations of alpha as a not-for-profit organization in Ontario.

On legal advice, this By-law was targeted to address the ONCA legal compliance. Within the new By-law, the Constitution of the Association of Local Public Health Agencies (Ontario) and its objectives remain valid and have not changed substantively. The Constitution has been customized and tailored into a By-law that aligns with, and follows the ONCA rules, and supports alpha's letters of patent and alpha's annual requirements updating the Ontario Business Registry. This By-law is a legal necessity to allow for alpha's unique organizational structure to remain legislatively compliant.

alpha staff, volunteers and legal counsel have worked tirelessly on this for the better part of two years. alpha would like to sincerely thank them for their work.

Proposed changes will come forward in a Resolution at the AGM in June for the membership to pass.