



COVID-19 Checklist: Key Considerations for Board Members of Charities and Not-for-Profits

Blakes

During these challenging times, it is imperative that board members continue to remain diligent and focused given the undeniable uncertainty that organizations must now navigate. From lockdowns and emergency orders to reopening orders and dynamic distancing, many charities and not-for-profits are faced with challenges unlike anything they have seen before.

Below are key considerations that we recommend every charity and not-for-profit board member reflect upon during and in the aftermath of the COVID-19 crisis. We are mindful of the fact that Canadian charities and not-for-profits are varied in terms of size, purpose and reach, and therefore, these are general guidelines for board members to consider.

Health and Safety

- Be aware of the emotional and mental health of your people, in addition to their physical health. The stress of this crisis, coupled with isolation and financial pressures, will affect your fellow board members, employees, volunteers and community in many ways. Continue to reach out to your team and check in on their mental and emotional well-being.
- Continue with following social distancing protocols, making hygienic products and personal protective equipment available, and increasing cleaning operations.
- Consider reviewing and revising sick leave and travel policies to ensure they comply with current government directives.
- Ensure all screening procedures are compliant with applicable privacy legislation. If you are screening individuals entering your organization, any collection, use and disclosure of personal information must comply with applicable laws.
- Determine adequacy of IT systems to secure against cybersecurity threats to protect personal and confidential information of all stakeholders. Remember that remote work access comes with a heightened risk of security threats.

(see our March 2020 *Blakes Bulletins* on [Coronavirus: A Primer on Best Practices in the Workplace](#) and [Keeping Cyber-Safe During the COVID-19 Outbreak](#) and our April 2020 *Blakes Bulletins* on [COVID-19: Employment and Labour Round-Up](#) and [COVID-19: Workplace Policies and Implementing Prevention Measures](#))

Organizational Support

- Ensure that the executive team is functioning well and supported.
- Determine the role of the board during the pandemic and in the aftermath and how involved they should be in day-to-day operations. Consider whether an executive committee needs to be struck or if the board needs to meet more often to support management. If board members do need to meet more often, ensure they have access to technology to allow them to meet virtually.
- Communication is more important than ever. Be prepared to develop communication plans for external stakeholders, in addition to internal communications. Messaging may include: the continued impact of the COVID-19 crisis; any changes to your organization's services; any expected/ongoing service disruptions; and protection of employees, volunteers and the beneficiaries of your services.

(see our March 2020 *Blakes Bulletins* on [The Coronavirus: Key Business and Legal Implications](#) and [Canadian Governments Suspend Corporate Deadlines](#) and our April 2020 *Blakes Bulletin* on [COVID-19: Some Novel Advice to the Board](#))

Costs and Support Programs

- Wage subsidies may be available to your organization. Review available government programs, including the Government of Canada's temporary 10 per cent wage subsidy and the Canada Emergency Wage Subsidy.
- Determine if government funding is available for your organization. Your organization may be eligible for financial support based on its sector (e.g., food banks, organizations supporting seniors, women's shelters and sexual assault centres), the groups it helps or location. Ensure management is aware of all of the funding subsidies and supports them in determining eligibility requirements.
- Have management consult with experts before making any employment termination decisions and ensure that decisions being made are in line with legal obligations.

(see our March 2020 *Blakes Bulletin* on [Government of Canada Announces COVID-19 Economic Response](#) and our April *Blakes Bulletin* on [Parliament Enacts the Canada Emergency Wage Subsidy](#))

Fundraising

- Consider the optics of any ongoing and new fundraising efforts. Many organizations have been cancelling or delaying large fundraising events during the pandemic to ensure they can meet with government guidelines with respect to social distancing and travel. Look into whether you can hold virtual fundraising events.
- Examine what your organization does to assist those who are affected by the pandemic and how to explain that to donors.
- Determine how your organization will manage with diminished unrestricted funding and how to still meet the purpose and/or objectives of the organization.

Additional Steps

- Annual general meetings (AGMs) will need to be run a little differently this year. Determine whether you can host your AGM electronically in accordance with the applicable legislation and governing documents. Notice of meetings, including any meetings following a delay, must be given in accordance with the applicable legislation and your organization's bylaws. Also determine how to make meeting materials available to members.
- Be mindful of your fiduciary duty to the organization and duty of care in determining what is in the organization's best interest. You should also be aware of potential exposure to claims if proper precautions are not taken during this time. Directors and officers may be held liable for failing to provide a safe work environment.

- Establish if any of your organization's contracts contain clauses that may be engaged by the pandemic (such as force majeure clauses that address circumstances where a party cannot perform under the contract due to circumstances beyond its control) or determine whether any contracts have been "frustrated" (meaning contracts have become incapable of being performed due to this unforeseen pandemic event). You or your organization may have certain contractual duties to mitigate under the current context.
- Consider deferrals and procedures provided by the Government of Canada and provincial governments. Relief is being offered with respect to Canada Revenue Agency filing requirements, and some jurisdictions are allowing virtual meetings that might otherwise not have been allowed under the governing documents. Your organization should determine whether it is eligible to take advantage of such changes.

(see our March 2020 *Blakes Bulletins* on [The Coronavirus: Key Business and Legal Implications, Canadian Governments Suspend Corporate Deadlines and COVID-19 and Your Contracts.](#))

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