A PRACTICAL RESOURCE FOR EXECUTIVE DIRECTORS AND BOARDS

Risks Facing Ontario Nonprofits & Charities

Where the biggest risks sit • What to do with limited resources • How to know it is working
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THE POINT

Risk management is not about producing a longer list. It is about protecting people and essential services, choosing a few controls that work, and making sure someone is watching.

A guide designed to be used — not just read

- ☐ Start with the 10 principles and the 16-risk map. Decide what matters most in your organization; do not attempt all 16 at once.
- ☐ For each risk, read the oversight check, warning signs and next-30-days action. The three resource levels show how to scale the approach.
- ☐ Use the worksheets to select three to five priority risks, assign owners, set warning thresholds and report useful information to the board.
- ☐ Use the legal checkpoints as issue-spotting guidance. They are not a substitute for sector licences, contracts or situation-specific professional advice.

What is inside

Part	Use it for
01 Start here	10 principles, current Ontario evidence and a prioritized risk map
02 The 16 risks	Concise explanations, practical controls, warning signs, responses and oversight checks
03 What changes by service	Examples for eight types of community-serving organizations
04 Tools to use immediately	Self-check, action plan, sample dashboard, 90-day plan and emergency checklist
05 Ontario & Canadian legal checkpoints	Key requirements and current thresholds to verify for your operations
06 Sources	Primary and specialist references for deeper reading

Prepared by Hartley Nonprofit Consulting Inc. • Participant edition updated October 26, 2026. All documents and editable worksheets: https://nonprofithelp.ca/risk/ — free downloadable reference and additional tools, no registration required.

Scope: Ontario public-serving nonprofits and registered charities, especially organizations with limited or stretched administrative resources. The 16 categories and their order are an independent teaching judgement, not a statistical ranking or an NRMC-published list.

Start here: 10 things every board and ED should know

1 **Protect people and the mission.** Ask what could cause serious harm or interrupt essential services—not just what might look bad.

2 **Watch financial resilience, not just the budget.** Know unrestricted cash, restricted money, major funding dependencies and the choices you have if funding stops.

3 **Demand needs a safety limit.** Decide when caseloads, wait lists, staff vacancies or volunteer gaps make further service unsafe.

4 **Screening is not safeguarding.** Design safe services, set boundaries, supervise people and use reporting routes that work.

5 **Protect staff and volunteers as well as clients.** Include workplace violence, harassment, lone work, trauma exposure, workloads and supervisor capability.

6 **Privacy is not just a computer problem.** Check files, access permissions, overheard discussions, record requests, cloud tools and AI.

7 **Trust is not a control.** Independent verification protects everyone, including trustworthy people.

8 **Test the basics.** Use MFA, restore backups, verify banking changes independently and run short crisis exercises.

9 **Name the elephant.** Invite a safe, evidence-based conversation about the important risk everyone may be avoiding.

10 **Give the next step an owner.** For each priority risk: two safeguards, an early warning, a first response, an owner and a review date.

> **BOARD–MANAGEMENT DIVISION**
>
> Board: ensure sound risk policies and practices; set oversight expectations; review a dashboard at least twice yearly.
> Management: identify and monitor risks, test safeguards and escalate significant concerns promptly.

The Ontario reality, in numbers

In its October 2026 State of the Sector survey, the Ontario Nonprofit Network received responses from **741 organizations**. These are survey findings—not a probability that any particular organization will experience the same outcome. [C01]

What ONN respondents said	Why it matters
84% reported rising expenses; 44% rising revenue	Forecast actual cash pressure; do not mistake a balanced budget for resilience.
77% reported increased demand; 60% could only somewhat meet it	Service limits and safe referrals are risk controls.
31% had no reserve fund; 34% had used reserves	Agree a reserve objective and triggers for acting on cash deterioration.
53% reported staff recruitment/retention problems; 47% used volunteers to fill gaps	Check workload, role competence and supervision.
45% struggled with volunteer recruitment/retention; board seats hardest to fill (61%)	Treat volunteer capacity and board renewal as continuity risks.

Only 59% considered their three-year closure risk low	Make funding-loss and interruption scenarios part of planning.

Your risk map: the 16 categories

Start with risk to people and uninterrupted service, especially where safeguards are weak. The order below is a practical starting point for this audience—not a universal ranking. A youth program might put safeguarding first; an agency close to missing payroll might put finance first.

#	Risk	Primary lens
01	Financial sustainability and funding concentration	Money and capacity
02	Demand exceeding safe and sustainable service capacity	Money and capacity
03	Client safety, safeguarding and incident response	People and safe services
04	Staffing, burnout, management capability and workplace safety	People and safe services
05	Cybersecurity, privacy and information stewardship	Information and operations
06	Board oversight, renewal and risk-aware governance	Governance
07	Volunteer capacity, screening, boundaries and supervision	People and safe services
08	Fraud, theft, financial controls and misuse of assets	Money and controls
09	Business interruption and emergency service continuity	Information and operations
10	Executive succession and concentration of key knowledge	Governance
11	Fundraising volatility, donor influence and mission drift	Money and mission
12	Artificial intelligence and third-party technology	Information and operations
13	Organizational ethics, culture, complaints and reputation	Governance and culture
14	Growth, partnerships, shared services and mergers	Change and partnerships
15	Legal, regulatory, contractual and insurance gaps	Compliance
16	Facility safety, property hazards and transportation	People and safe services

Choose an implementation level by paid employee headcount

Capacity	What this means in practice
SMALL — 0–10 paid employees	Named person, short checklist, safe program design, simple evidence of review and an emergency backup. Get specialist help when the exposure requires it.
MEDIUM — 11–50 paid employees	Clear management accountability, consistent procedures, a handful of indicators, routine independent checks and board escalation.
LARGER — 51+ paid employees	Coordinated accountability across locations, independent sampling, specialist advice, scenario tests and a concise organization-wide risk report.

IMPORTANT

Capacity changes how sophisticated the paperwork is. It does not change legal duties or the need to protect children, vulnerable clients, employees and volunteers. A ten-person organization delivering higher-risk services may need greater expertise and more intensive controls than a 60-person organization with lower exposure. Every recommendation should be adjusted for program risk, licensing, contracts and staffing complexity.

Imagine Canada's own Standards Program uses both full-time-equivalent employees and annual expenses (Level 1: up to 10 FTE and $3 million; Level 2: up to 50 FTE and $10 million; Level 3: above either Level 2 limit). Our staff-only categories are not its accreditation criteria. How to choose: count the individuals your organization employs (full-time and part-time). These three sizes are teaching categories developed for this resource—not Imagine Canada accreditation levels and not statutory size tests. Volunteers are not paid employees. Some legal rules count workers or employees differently; check each actual test.

A simple way to manage risk

SPOT IT	ACT ON IT	WATCH IT	RESPOND
What could happen and whom would it harm?	Which practical safeguards reduce harm?	What tells us risk is getting worse or a control has failed?	Who acts first, what must be reported, and how do services continue?

A good control is something people actually do, not just a policy approved once. Examples: a second person verifies a changed bank account; a supervisor samples incident files; a backup is restored successfully.

THE MINIMUM EFFECTIVE RISK SYSTEM

- [ ] A short list of three to five serious risks, with owners and review dates.
- [ ] Cash visibility, safe service limits, and functioning safety and privacy measures.
- [ ] Independent payment checks, multi-factor authentication and recovery-tested backups.
- [ ] Emergency succession/continuity arrangements and board dashboard review at least twice yearly.

01 Financial sustainability and funding concentration

FOUNDATIONAL / WIDELY SHARED

WHY THIS MATTERS Funding freezes, restricted grants, volatile donations and cost increases can turn a viable service into a cash crisis. Dependence on one agreement magnifies the shock. Financial forecasts must distinguish a balanced annual budget from having cash to meet payroll.

FOR EXAMPLE

A community support agency faces a flat multi-year transfer payment while compensation, rent and program costs rise. It cannot replace the lost purchasing power quickly.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	Prepare a simple monthly 13-week cash forecast and a list of the three largest funding sources. Identify which discretionary costs could be deferred and who may approve reductions.
MEDIUM • 11–50 paid employees	Model at least two revenue-loss scenarios; report cash runway, restricted versus unrestricted balances, renewal dates, funding concentration and program contributions quarterly.
LARGER • 51+ paid employees	Use rolling forecasts, multi-year scenarios, reserve targets justified by exposure, documented funding triggers and a finance committee or equivalent oversight.

ALSO WORTH KNOWING Discuss a modest, justified operating-reserve target even where current reserves are zero. Use a longer 12-month view alongside the 13-week cash forecast; disclose whether balances are restricted. Do not pursue diversification blindly: a new revenue stream must cover its full costs and fit the mission. ONN found 84% of respondents had rising expenses but only 44% rising revenues. [C01] [C18]

DO ONE THING IN THE NEXT 30 DAYS

Confirm restricted versus unrestricted cash; enter expected receipts, payroll and rent into a 13-week schedule; agree when to escalate a projected shortfall.

Check that it works: Reconcile actual cash against the forecast and have an independent person verify the bank balance.

EARLY WARNING SIGNS Declining unrestricted cash; repeated operating deficits; slow grant payments; one funder dominates; cash reserves used for routine operations.

IF IT HAPPENS Confirm true cash and restricted funds; notify board promptly; preserve payroll and essential client services; speak with funders early; implement staged and lawful service reductions rather than indiscriminate cuts.

BOARD OVERSIGHT CHECK

Does the dashboard show funding concentration, cash scenarios and agreed escalation triggers?

Likely lead: Executive director / finance lead | Sources: [N01] · [N02] · [C01]

02 Demand exceeding safe and sustainable service capacity

FOUNDATIONAL / WIDELY SHARED

WHY THIS MATTERS High demand can be celebrated as impact even while waiting times, client safety, quality and staff capacity deteriorate. A decision to serve everyone without capacity limits can expose both clients and staff to harm.

FOR EXAMPLE

A counselling or food-security program experiences more referrals than staffing, space and supplies can support; the waiting list doubles.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	Identify the services that cannot safely be compromised; track demand, wait times and declined referrals each month; set a clear escalation point when capacity is breached.
MEDIUM • 11–50 paid employees	Define service/caseload thresholds by program; establish triage, eligibility and referral pathways; collect client feedback; report capacity exceptions to management.
LARGER • 51+ paid employees	Use service-level dashboards, scenario capacity modelling, periodic quality audits, partner agreements and explicit board-approved risk tolerances for interruptions.

ALSO WORTH KNOWING Treat increased referrals and insufficient service capacity as a safety issue, not proof of success. Where volunteers are filling staff gaps, confirm role suitability, supervision, training and what work they must not do. ONN reported 47% using volunteers to fill staffing gaps. [C01]

DO ONE THING IN THE NEXT 30 DAYS

Have program leads define safe caseload and queue warning signs; choose one common indicator and an escalation threshold for each critical service.

Check that it works: Audit a recent fortnight of intake, deferrals and referrals; test the path for urgent cases.

EARLY WARNING SIGNS Longer waits; repeated overtime; cancellations; unfilled referrals; rising incidents or complaints; staff bypassing standard processes.

IF IT HAPPENS Prioritize immediate safety, explain service limits, activate referral partners, reallocate temporary capacity where justified, and advise funders/board of the trade-offs.

BOARD OVERSIGHT CHECK

Are safe service limits defined, monitored and escalated when breached?

Likely lead: Program director / executive director | Sources: [N01] · [N02] · [C01]

03 Client safety, safeguarding and incident response

HIGH CONSEQUENCE / SERVICE DEPENDENT

WHY THIS MATTERS Preventing harm to children, vulnerable adults and other service users requires more than screening. Safe activity design, consent, boundaries, supervision, incident reporting and follow-through must work for familiar people too. Everyday risks include transport, falls and outings. [N11]

FOR EXAMPLE

A volunteer communicates privately with a youth participant outside approved channels; supervisors are unclear on the reporting route.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	Screen and supervise by role and activity; use safe boundaries, simple near-miss/ incident reporting and prompt escalation. Identify any mandatory screening, training, staffing and reporting rules before assigning duties, including licensed childcare requirements. Two-person/visibility controls are appropriate in some activities, not universal. [C30]
MEDIUM • 11–50 paid employees	Document safeguarding, risk assessments for visits/transport/outings/food/ equipment, training, referral routes, incident trend reviews and broker-confirmed coverage.
LARGER • 51+ paid employees	Specialist safeguarding and safety leadership; sampled compliance reviews, activity audits, exercises and independent review of serious events.

ALSO WORTH KNOWING Consider risks from food, client transport, equipment, home visits, outings and medication support. Two-person or visibility practices may help, but are not universal requirements for one-to-one care. Check sector licences: licensed childcare, for example, mandates specific staff, volunteer and student screening. [N11] [C10] [C17] [C30]

CHILD-PROTECTION RULE — CYFSA s. 125 requires direct, immediate reporting to a children's aid society of reasonable suspicions involving a child younger than 16. It is a personal, ongoing duty—not satisfied by telling a supervisor. See the legal section for details and ages 16–17. [C10]

DO ONE THING IN THE NEXT 30 DAYS

Walk through the client journey, screening, communication boundaries and incident response; ensure every high-risk role has named supervision and training.

Check that it works: Ask staff and volunteers how to report concerns and near misses; sample files for timely escalation, completed actions and unusually low reporting from high-risk activities.

EARLY WARNING SIGNS Boundary exceptions, missing training, recurring near misses, delayed reports and unsafe activities. Few reports from high-exposure services warrant checking reporting culture; zero events does not prove safety.

IF IT HAPPENS Protect people, preserve evidence and fulfill mandatory reports without waiting for an internal inquiry; support those harmed, escalate appropriately and correct control failures.

BOARD OVERSIGHT CHECK

Does management demonstrate that safeguarding, reporting and follow-up work?

Likely lead: Program director / safeguarding lead | Sources: [N11] · [C09] · [C10] · [C14]

04 Staffing, burnout, management capability and workplace safety

FOUNDATIONAL / WIDELY SHARED

WHY THIS MATTERS Service demand, compensation constraints and poor supervision can produce burnout, turnover, absenteeism, workplace conflict and quality failures. Frontline risk increases when new managers are unsupported.

FOR EXAMPLE

An agency loses two experienced support workers and asks an already stretched team to absorb their caseloads indefinitely.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	LEGAL FLOOR for OHSA-covered employers: prepare and review violence and harassment policies at least annually; develop and maintain the required violence program and written harassment program; assess workplace violence risks and advise workers of relevant risks/procedures. Add brief check-ins, workload monitoring, working-alone check-ins and lawful employment documentation. Written/ posting rules for the policies depend on workplace size. [C11] [C19]
MEDIUM • 11–50 paid employees	Go beyond the legal floor with more detailed role/site scenarios, refreshers, de-escalation training and trauma-aware supervision; strengthen onboarding, manager coaching, accommodation and employment records. Reassess when work or conditions change.
LARGER • 51+ paid employees	Workforce and succession planning, people-management assurance, incident trend analysis, specialist HR/health-and-safety support and confidential feedback.

ALSO WORTH KNOWING Violence risk assessment and reporting programs are legal duties. Reassess lone work and client aggression; manage workloads and supervisor support. Seek qualified advice before significant employment decisions.

DO ONE THING IN THE NEXT 30 DAYS

Review the most overloaded role and agree what will stop, slow or transfer; equip supervisors to discuss workloads and employee safety.

Check that it works: Compare overtime, missed supervision, turnover and workplace incident/near-miss patterns; ask staff confidentially whether they understand and trust reporting routes. Check whether the reported volume makes sense given actual client-facing exposure.

EARLY WARNING SIGNS Vacancies linger; overtime and sick leave rise; turnover clusters; supervision is cancelled; reports fall even as client/public aggression, lone work or caseload pressure increase. Silence can be a sign of underreporting, not necessarily an absence of hazards.

IF IT HAPPENS Stabilize essential staffing and client coverage; assess safety and workload; communicate temporary priorities; offer support; remedy root causes rather than asking only for more resilience.

BOARD OVERSIGHT CHECK

Do reports flag unsafe workloads and workplace concerns early enough to act?

Likely lead: Executive director / supervisors | Sources: [N01] · [N17] · [C01] · [C11]

05 Cybersecurity, privacy and information stewardship FOUNDATIONAL / WIDELY SHARED

WHY THIS MATTERS Ransomware, phishing, vendor breaches, lost devices and accidental disclosure can stop programs and expose client, donor and employee information. The sensitivity of records is more important than the organization's size.

FOR EXAMPLE

A staff member clicks a false invoice or shares identifiable counselling information through an unapproved cloud account.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	Use MFA, unique logins, updates, backups and a restore test; protect paper records and conversations; limit access to job need; phone-verify changed banking instructions.
MEDIUM • 11–50 paid employees	Inventory systems and sensitive records by service; determine whether PIPEDA, PHIPA, CYFSA Part X or public-sector privacy statutes apply; set appropriate consent, retention, access, disclosure, vendor, offboarding and breach-response practices; test recovery annually. [C28]
LARGER • 51+ paid employees	Formal cyber/privacy oversight, technical testing, access logs, supplier due diligence, breach response exercises and legal/insurance obligations review.

ALSO WORTH KNOWING Separate cyberattacks from ordinary confidentiality failures: paper files, overheard conversations, unnecessary collection, shared mailboxes, overly broad access and inappropriate disclosure to family members. Route subpoenas and other legal demands through a documented, timely process; seek counsel where needed. Determine the applicable regime: PIPEDA (generally commercial activities), PHIPA (defined health-information custodians/agents), CYFSA Part X (specified child and youth service providers and records), and where relevant FIPPA/MFIPPA. Different functions or records in one organization may fall under different regimes. [C07] [C08] [C16] [C28]

DO ONE THING IN THE NEXT 30 DAYS

Name owners for the five most critical systems, enable MFA, inspect staff access and perform one safe backup restoration.

Check that it works: Restore one sample record and verify former staff no longer retain system access.

EARLY WARNING SIGNS MFA gaps; orphan accounts; backups not tested; shared passwords; sensitive data stored outside approved systems; suspicious emails not reported.

IF IT HAPPENS Isolate affected systems; bring in appropriate IT/privacy support; preserve evidence; assess notification/reporting obligations; restore safely; communicate accurately and learn.

BOARD OVERSIGHT CHECK

Has management tested cyber recovery and essential service continuity?

Likely lead: IT contact / executive director | Sources: [N01] · [N06] · [C07] · [C08] · [C13]

06 Board oversight, renewal and risk-aware governance FOUNDATIONAL / WIDELY SHARED

WHY THIS MATTERS Boards may focus on routine approvals while avoiding strategy, risk tolerance and executive accountability. Lack of directors with needed experience or weak renewal can undermine continuity and challenge.

FOR EXAMPLE

Board meetings spend most time on operational reports, while the organization has no shared view of its top five risks.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	Review risk dashboard twice yearly; clarify board/management roles; track 3–5 significant risks and action owners; plan one or two director recruitments ahead.
MEDIUM • 11–50 paid employees	Review risk dashboard at least twice yearly; maintain board skills matrix, annual evaluation and planned chair succession; connect risks to strategic priorities.
LARGER • 51+ paid employees	Board risk appetite discussion, structured governance reviews, committee escalation routes, assurance calendar and independent challenge for material risks.

ALSO WORTH KNOWING NRMC's "elephant" is a governance test: which consequential issue do well-meaning people keep talking around? Invite respectful challenge, use evidence, involve independent expertise where seriousness requires, assign responsibility and revisit the decision. Examples include neglected leadership performance, outdated programs, board renewal or a gap between published values and staff experience. ONN also identified board recruitment as a major volunteer challenge; maintain a prospective-director list and chair/treasurer renewal plan. Do not seek identifiable allegations in a public workshop. [N01] [C01]

DO ONE THING IN THE NEXT 30 DAYS

Ask directors privately what issue they most fear the board is avoiding. The chair should turn the discussion into a neutral risk statement, a safe fact-finding path, a responsible lead and a date for revisiting it alongside the other top risks.

Check that it works: Check that the next board package includes clear risk ownership, indicators and decisions required.

EARLY WARNING SIGNS Same directors overextended; major risks absent from minutes; overdue actions; weak CEO evaluation; repeated governance exceptions.

IF IT HAPPENS Clarify facts and responsibilities, convene appropriate directors, use external advice on significant governance or legal issues, and implement a time-bound corrective plan.

BOARD OVERSIGHT CHECK

Are significant risks, weak safeguards and overdue actions visible to the board?

Likely lead: Board chair / executive director | Sources: [N01] · [N05] · [N14] · [C02] · [C03]

07 Volunteer capacity, screening, boundaries and supervision

WIDELY SHARED / ROLE DEPENDENT

WHY THIS MATTERS Many organizations rely on volunteers for core service delivery and board participation. Weak recruitment and supervision can create safety, service and retention problems even where intentions are excellent.

FOR EXAMPLE

A food bank or day program relies on volunteers who receive inconsistent orientation and sometimes perform tasks beyond their role.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	One-paragraph role descriptions, named supervisor, role-based screening, brief orientation, boundary and safety rules; identify volunteers covering staff functions and protect a board recruitment pipeline.
MEDIUM • 11–50 paid employees	Screening matrix, shift and skills coverage, renewal/recognition plan, annual supervision review, skills-based director recruitment and backup coverage.
LARGER • 51+ paid employees	Structured volunteer system, training and incident analytics, succession for key volunteers and board leaders, program review of staff-volunteer substitution.

ALSO WORTH KNOWING A respected, long-serving volunteer still needs suitable screening, clear boundaries, orientation, supervision and a way to report concerns; familiarity is not evidence that a control works. Volunteers doing work resembling paid roles need appropriate competence and oversight. Maintain a year-round board recruitment pipeline and a realistic retention plan. ONN found 45% of respondents struggled with volunteer recruitment/retention and 47% used volunteers to fill staffing gaps. [C01] [N09] [N11]

DO ONE THING IN THE NEXT 30 DAYS

Identify volunteer roles involving clients, money, transport or data; assign supervisors and verify brief role-specific orientations.

Check that it works: Sample screening records and ask volunteers what their role excludes and who can help.

EARLY WARNING SIGNS No-shows; a few people carry most shifts; orientation incomplete; recurring role confusion; turnover after initial shifts.

IF IT HAPPENS Cover essential functions with qualified people; remove unsafe assignments; investigate concerns fairly; update roles, training and supervision promptly.

BOARD OVERSIGHT CHECK

Does management verify volunteer screening, training, supervision and boundary controls?

Likely lead: Volunteer coordinator / program lead | Sources: [N09] · [N10] · [N20] · [C09] · [C14] · [C01]

08 Fraud, theft, financial controls and misuse of assets UNIVERSAL / CONTROL DEPENDENT

WHY THIS MATTERS Small staffs often concentrate bookkeeping, payments, deposits and reconciliation in one trusted person. This is a structural vulnerability, not an accusation of dishonesty. Online payment fraud creates additional exposure.

FOR EXAMPLE

One employee sets up vendors, approves electronic payments and reconciles the account with no independent check.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	Independent review of bank statements, second approval for higher-risk payments, known-number callback for banking changes and simple expense/credit-card policies.
MEDIUM • 11–50 paid employees	Separate creation, approval and reconciliation as possible; use compensating checks, payment thresholds, exception review and restricted-funds monitoring.
LARGER • 51+ paid employees	System permissions and automated approval controls; independent transaction testing, fraud response procedure and periodic specialist review.

ALSO WORTH KNOWING Trust is not a financial control. Even where a bookkeeper, treasurer or supplier is familiar and trusted, require independent review of bank evidence and callback verification of payment-detail changes. The publicly reported Hamilton Community Foundation fraud illustrates the consequences of false payment instructions: its audited 2024 financial statements recorded $920,057 paid to fraudulent accounts during 2023, with approximately $64,000 recovered at the reporting date. That is a specific public case, not a sector-wide incidence estimate. Dual approvals can be proportionate to risk and value. [N08] [N19] [C21] [C23]

DO ONE THING IN THE NEXT 30 DAYS

Map who creates suppliers, authorizes payments and reconciles accounts; implement an independent compensating check if roles overlap.

Check that it works: Trace three selected payments through invoice, approval, bank statement and reconciliation.

EARLY WARNING SIGNS Missing receipts; unusual vendors; reconciliations overdue; emergency payments; resistance to independent review; unexplained variances.

IF IT HAPPENS Secure records/accounts, stop potential loss, limit disclosure, involve appropriate professionals or law enforcement as warranted, notify insurers if required and remedy control failures.

BOARD OVERSIGHT CHECK

Are independent payment checks and bank-change verification confirmed and tested?

Likely lead: Treasurer / finance lead | Sources: [N08] · [N19] · [N01]

09 Business interruption and emergency service continuity

HIGH CONSEQUENCE / WIDELY SHARED

WHY THIS MATTERS Fire, flood, extreme weather, facility loss, cyberattack, power failure, pandemic-related disruption or transportation failure can immediately affect essential services. A complex binder is not necessary; tested arrangements are.

FOR EXAMPLE

A one-site day program closes suddenly because of a water main break, leaving families without planned support.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	List essential functions, emergency contacts, alternative communication method, temporary service limits and who decides to close/reopen.
MEDIUM • 11–50 paid employees	Build a short continuity plan covering people, premises, key systems, suppliers and backup locations; test a tabletop once per year.
LARGER • 51+ paid employees	Business impact assessment, tested recovery-time objectives, mutual aid agreements, continuity exercises, vendor/service dependencies and lessons-learned tracking.

ALSO WORTH KNOWING Add public threats, misinformation about your services, extreme weather and disruptions to transport or shared facilities to continuity scenarios where relevant. Plan who speaks publicly and how client-facing staff receive safe instructions. Test at least one realistic scenario; a policy binder alone is not readiness. [C01] [N13]

DO ONE THING IN THE NEXT 30 DAYS

Identify essential services, name a crisis lead, keep emergency contacts offline and establish alternate communications.

Check that it works: Run a 15-minute scenario: the premises and computer system are both unavailable at opening time.

EARLY WARNING SIGNS No offline contact list; key vendor single points of failure; backup transport unconfirmed; staff do not know shutdown authority.

IF IT HAPPENS Protect people first; activate a named response lead; communicate service changes and referral options; restore critical functions in order; log decisions and learn.

BOARD OVERSIGHT CHECK

Has management tested continuity plans for essential services during disruption?

Likely lead: Executive director / operations lead | Sources: [N12] · [N13] · [N01]

IF SERIOUS DISRUPTION HAPPENS: YOUR FIRST DECISIONS

- [ ] Protect people and secure the immediate scene/service; call emergency services where appropriate.
- [ ] Activate the designated response leader and clarify who can make time-sensitive decisions.
- [ ] Preserve relevant documents, data and other evidence; do not speculate publicly.
- [ ] Check legal reporting, contractual notice and insurance notification obligations promptly.
- [ ] Communicate what is confirmed, what service users need to know and when the next update will come.
- [ ] Restore essential services through safe alternatives; record actions and conduct a learning review.

10 Executive succession and concentration of key knowledge

UNIVERSAL / OFTEN NEGLECTED

WHY THIS MATTERS An executive director or finance/program leader may hold funder relationships, passwords, contracts, informal procedures and authority in one person's head. Sudden absence can create chaos.

FOR EXAMPLE

An executive director becomes unavailable, and no one knows how to authorize payroll, reach the largest funder or manage a serious incident.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	One-page emergency delegation, interim contact list, key deadlines, secure credentials access plan and named backup for critical functions.
MEDIUM • 11–50 paid employees	Document critical tasks, cross-train at least one person per function, update position descriptions, discuss planned and unplanned CEO succession with board.
LARGER • 51+ paid employees	Leadership pipeline, interim succession simulations, key-person map, formal delegations, retention of institutional knowledge and planned transitions.

ALSO WORTH KNOWING The emergency plan should cover a sudden absence tomorrow, not just eventual retirement. Confirm the legal delegation and safe access route for payroll, government portals, funding agreements, bank authorization and incident decisions. Include succession for the board chair and treasurer as well as the ED.

DO ONE THING IN THE NEXT 30 DAYS

Write down emergency authority, payroll deadlines, critical contacts and secure access to business-essential credentials.

Check that it works: Ask a designated alternate to locate key information without the executive director's assistance.

EARLY WARNING SIGNS Only one person knows process; untested authority; no backup for funder/IT/finance roles; CEO succession absent from annual board agenda.

IF IT HAPPENS Activate interim authority, assure payroll/client safety, advise critical partners appropriately, pace recruitment and retain records and transition knowledge.

BOARD OVERSIGHT CHECK

Is an executive absence and succession plan in place, with tested decision authority?

Likely lead: Board chair / executive director | Sources: [N01] · [N04]

11 Fundraising volatility, donor influence and mission drift

WIDELY SHARED / FUNDING MODEL DEPENDENT

WHY THIS MATTERS Some grants or gifts carry restrictions, hidden full costs, reputation concerns or pressure to change services. A funded program can still weaken an organization when overhead or renewal risk is ignored.

FOR EXAMPLE

A charity accepts a large restricted grant for a new service but has no funding for management, rent and technology once the launch year ends.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	Checklist for mission fit, full costs, gift restrictions and receipting; keep a separate record of restricted donations and confirm who may accept conditions.
MEDIUM • 11–50 paid employees	Restricted-funds tracking, donation-receipt review, T3010 check, grant financial and reporting commitments, donor concentration and planned exits.
LARGER • 51+ paid employees	Detailed gift acceptance and fund-accounting controls, professional review for significant gifts/securities, donor concentration stress tests and DQ compliance as applicable.

ALSO WORTH KNOWING Track restricted gifts separately, confirm donor conditions before accepting money, review eligible receipting with CRA guidance and determine whether the disbursement quota applies. The 2026 CanadaHelps Giving Report describes increasing concentration of online donations; its $529 million CAD figure is giving processed through CanadaHelps in 2025, not all Canadian donations. [C15] [C25] [C20] [C22]

DO ONE THING IN THE NEXT 30 DAYS

Use a grant/gift checklist to test mission fit, full cost, donor restrictions, staff capacity, reporting obligations and exit provisions.

Check that it works: Run one proposed donation or grant through the checklist and record the acceptance rationale.

EARLY WARNING SIGNS Restricted funding pays for growth but not infrastructure; frequent donor conditions; unplanned program expansion; shrinking unrestricted income.

IF IT HAPPENS Review legal commitments and donor intentions; explain sustainability concerns; negotiate where possible; modify or end programs carefully within obligations.

BOARD OVERSIGHT CHECK

Are funding and gift decisions assessed for mission fit, full costs and sustainability?

Likely lead: Executive director / fundraising lead | Sources: [N01] · [N03] · [N16]

12 Artificial intelligence and third-party technology EMERGING / ALREADY PRESENT

WHY THIS MATTERS Unapproved AI use can expose confidential records, produce incorrect advice, introduce bias, automate decisions inappropriately or create vendor dependency. Banning all use may simply hide it.

FOR EXAMPLE

Staff upload identifiable client notes to a public AI tool to draft a case summary; the organization has no approved-use rule.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	Ask how AI is used; ban input of identifying sensitive data into unapproved tools; require human review and appropriate disclosure for material outputs.
MEDIUM • 11–50 paid employees	Create a short approved-use policy, staff training, tool review, consent/privacy checks and a process to report AI errors or near misses.
LARGER • 51+ paid employees	Formal AI risk assessment for consequential use cases, procurement terms, bias/quality testing, audit logs and exit/continuity arrangements.

ALSO WORTH KNOWING Ask employees how AI is actually used without discouraging honest reporting. Ban sensitive identifying information in unapproved public tools; require checking factual, legal and client-related outputs. If AI assists with job-applicant screening, assess the applicable 2026 Ontario disclosure requirements for employers with 25 or more employees. [C06]

DO ONE THING IN THE NEXT 30 DAYS

Ask staff which AI tools they actually use; prohibit unapproved sensitive-data use and distinguish low-risk drafting from consequential decisions.

Check that it works: Review representative AI output for errors, privacy exposures and human verification.

EARLY WARNING SIGNS AI accounts purchased individually; client data pasted into tools; staff cannot verify outputs; automated recommendations affect service eligibility.

IF IT HAPPENS Stop unsafe practice; evaluate data and individual impacts; correct decisions/content; assess reporting duties; retrain staff and revise vendor controls.

BOARD OVERSIGHT CHECK

Do we have assurance of approved AI controls, safe use and human oversight?

Likely lead: Executive director / privacy lead | Sources: [N01] · [N06] · [N07] · [C01] · [C07] · [C08]

13 Organizational ethics, culture, complaints and reputation

CROSS-CUTTING / HIGH CONSEQUENCE

WHY THIS MATTERS An organization may have good policies and still tolerate bullying, conflicts of interest, retaliation or disrespectful service. Public trust can disappear when issues are dismissed or mishandled.

FOR EXAMPLE

Employees routinely describe a manager's conduct as concerning but fear reporting because the manager is close to the executive.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	Make conduct rules simple; provide at least one reporting route outside the usual chain; communicate non-retaliation and respond to complaints.
MEDIUM • 11–50 paid employees	Train managers on fair investigations, monitor complaints and turnover, review conflicts annually and use an agreed crisis communication plan.
LARGER • 51+ paid employees	Independent reporting capacity, culture assessment, trend analysis, executive/board oversight and after-action reviews.

ALSO WORTH KNOWING Check whether staff, volunteers and service users can report concerns involving senior leaders without retaliation. An ethical culture is tested by exceptions for powerful people, the quality of investigations, and whether boards act on unpalatable evidence—not merely by signed policies.

DO ONE THING IN THE NEXT 30 DAYS

Announce a trusted reporting route outside the normal reporting line and reinforce non-retaliation and conflicts-of-interest expectations.

Check that it works: Test the response using a simulated complaint and verify impartial triage and recordkeeping.

EARLY WARNING SIGNS Multiple informal warnings; silence in meetings; sudden turnover; unresolved complaints; policy exceptions for influential people.

IF IT HAPPENS Protect affected people; commission an impartial process proportionate to seriousness; respect confidentiality; correct conduct and controls; communicate truthfully.

BOARD OVERSIGHT CHECK

Are significant confidential concerns escalated, including those involving senior leaders?

Likely lead: Board chair / executive director | Sources: [N01] · [N13] · [N14] · [C11]

14 Growth, partnerships, shared services and mergers CONDITIONAL / TRANSFORMATIONAL

WHY THIS MATTERS Rapid growth, new contracts and partnership or merger proposals can overwhelm systems or dilute mission. Merging solely to cut overhead can create more risk if cultures, liabilities and services do not align.

FOR EXAMPLE

Two small agencies discuss combining programs after a funding reduction without first comparing liabilities, staff conditions, systems and service obligations.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	Before change, ask: why now, what improves for clients, full cost, staff capacity, who decides, and what could cause failure?
MEDIUM • 11–50 paid employees	Document due diligence checklist, service/finance/HR assumptions, decision gates, partner responsibilities and termination terms.
LARGER • 51+ paid employees	Integrated change risk assessment, scenario financials, legal and people due diligence, stakeholder consultation, project governance and post-change reviews.

ALSO WORTH KNOWING Compare mission benefit, realistic full costs, liabilities, employee implications and service continuity before entering partnerships or merger discussions. Consolidation can be useful but is not automatically a sensible remedy for deficits. Review Ontario corporate and CRA steps with appropriate advisers when a charity is involved. [C02] [C04]

DO ONE THING IN THE NEXT 30 DAYS

Write a pre-commitment decision brief: mission benefit, people impact, liabilities, funding and technology needs, and how to withdraw safely.

Check that it works: Have someone independent challenge core financial and operational assumptions before approval.

EARLY WARNING SIGNS Unfunded growth commitments; unresolved partner agreements; incompatible systems; overstretched leadership; unclear accountabilities.

IF IT HAPPENS Pause irreversible commitments where feasible; validate assumptions; get advice; negotiate scope; protect critical services and affected employees.

BOARD OVERSIGHT CHECK

Do major partnership and growth decisions receive documented due diligence and risk review?

Likely lead: Executive director / project sponsor | Sources: [N01] · [N14]

15 Legal, regulatory, contractual and insurance gaps UNIVERSAL / JURISDICTION SPECIFIC

WHY THIS MATTERS A charity can meet its mission yet breach corporate, tax, employment, safeguarding, privacy, accessibility, insurance or funder requirements. U.S. rules in NRMC publications are not Ontario requirements.

FOR EXAMPLE

An Ontario charity misses a filing, overlooks a 2026 employment-posting requirement or assumes its liability coverage includes an activity it has added.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	One-page obligations and renewal calendar; verify incorporation/charity status, safety duties and activity/driver/abuse/cyber insurance with broker.
MEDIUM • 11–50 paid employees	Annual ONCA/CRA/ESA/AODA/privacy/funder review, restricted gift/receipting checks, contract owner and written broker conversation after major service changes.
LARGER • 51+ paid employees	Compliance register, independent specialist reviews for material changes, assurance calendar, insurance coverage mapping and remediation tracking.

ALSO WORTH KNOWING Three useful broker questions before renewal: Are abuse-related allegations/claims addressed for our actual services? Is client transportation/volunteer driving—including non-owned automobiles—covered? Do cyber-policy applications and exclusions match actual IT controls? Confirm exact wording and reporting obligations. Also include CRA receipting and disbursement-quota checks where applicable; no general risk guide substitutes for specialist review. [N18] [C20] [C22]

DO ONE THING IN THE NEXT 30 DAYS

Create a due-date calendar with accountable people for filings, employment, accessibility, safeguarding, contracts and insurance renewals.

Check that it works: Have a backup identify the next three deadlines and confirm evidence they are being met.

EARLY WARNING SIGNS Late filings; out-of-date bylaws or policies; new programs not reported to insurer; expired contracts; repetitive audit findings.

IF IT HAPPENS Contain immediate harm; verify exact duty/deadline; consult appropriate lawyer, accountant, HR or insurance professional; correct and document promptly.

BOARD OVERSIGHT CHECK

Does the dashboard identify compliance gaps, insurance issues and overdue corrections?

Likely lead: Executive director / corporate secretary | Sources: [N18] · [C02] · [C04] · [C05] · [C06] · [C07] · [C08] · [C09] · [C10] · [C11] · [C20] · [C22]

16 Facility safety, property hazards and transportation

WIDELY SHARED / ACTIVITY DEPENDENT

WHY THIS MATTERS Buildings, grounds, equipment and vehicles create everyday exposure: slips and falls, fire and electrical hazards, blocked exits, winter conditions, aging systems and client transportation. These harms are frequent, foreseeable and usually preventable with routine checks that someone actually completes.

FOR EXAMPLE

A program van with an overdue service run is used for client medical appointments in freezing rain; nobody has confirmed the driver's licence status or the non-owned automobile coverage.

Practical safeguards, scaled to capacity

Level	What to do
SMALL • 0–10 paid employees	Walk the premises with a short hazard checklist; fix or report what you find; keep exits, extinguishers and first aid current; confirm driver licences, vehicle maintenance and winter plans for any client transport.
MEDIUM • 11–50 paid employees	Scheduled inspections with a maintenance log and completion dates; activity and outing risk checks; a transportation policy covering drivers, vehicles and weather cancellation; broker confirmation that premises, activities and non-owned automobiles are covered.
LARGER • 51+ paid employees	Comparable inspection standards and capital-maintenance planning across locations; fleet and driver management; incident and near-miss trend review; weather and transport continuity exercises with documented fixes.

ALSO WORTH KNOWING Accessibility barriers are safety issues as well as compliance issues; review entrances, washrooms and travel paths with AODA standards in mind. Where food, outings, home visits or client transport are part of the program, the activity-specific controls in Risk 03 apply alongside premises checks. Confirm insurance wording for volunteer drivers and non-owned automobiles with the broker. [C05] [C11] [C17] [N18]

DO ONE THING IN THE NEXT 30 DAYS

Complete one documented walk-through of each location, fix or escalate the hazards found, and confirm driver, vehicle and winter-weather arrangements for any client transportation.

Check that it works: Pick one completed inspection and one vehicle or outing record; confirm the hazard was corrected and the driver/vehicle checks actually happened.

EARLY WARNING SIGNS Poor maintenance; unreviewed accessibility barriers; vehicle issues; extreme weather without a cancellation rule; incident or near-miss reports about the same hazard.

IF IT HAPPENS Make the area or vehicle safe and keep people away from the hazard; get first aid or emergency services where needed; record the incident; meet any OHSA or other reporting duties; complete and document the corrective work.

BOARD OVERSIGHT CHECK

Are material facility and transport hazards monitored and corrected by accountable leads?

Likely lead: Operations lead / executive director | Sources: [C05] · [C11] · [C17] · [N18]

What changes by type of service?

The risk map is shared; the exposure is not. These are fictional examples, not assessments of any attending organization. Keep sector licences, funder requirements and insurance conditions in view.

Food banks / poverty reduction

WATCH FOR Demand spikes, perishable goods, volunteer availability, client dignity

PRACTICAL CONTROLS Food-safety and supply checks; shift backups; referral and wait-time monitoring

QUESTION TO TRY A delivery fails during a peak-demand day. Which service continues?

Mental health / sexual-assault / addictions

WATCH FOR Caseload limits, client confidentiality, violence, vicarious trauma

PRACTICAL CONTROLS Safe workload thresholds; clinical/role supervision; secure records; off-site/lone-work rules

QUESTION TO TRY Referrals rise sharply and a counsellor leaves. What stops or changes?

Childcare / children / youth

WATCH FOR Screening, boundaries, protection reporting, supervision, pick-up and transport

PRACTICAL CONTROLS Required checks where regulated; safe communication rules; activity design; reporting practice

QUESTION TO TRY A volunteer privately messages a young client. Who is told and who must report?

Disability / adult day

WATCH FOR Safe staffing, specialized assistance, transport, falls, consent

PRACTICAL CONTROLS Skill-matched assignments; incident review; individual risk plans; safe activity modification

QUESTION TO TRY Staffing drops below the minimum needed for an outing. Proceed or cancel?

Community transit / seniors

WATCH FOR Passenger safety, drivers, weather, equipment and insurance

PRACTICAL CONTROLS Driver/licence verification; inspections; alternate ride or referral arrangements

QUESTION TO TRY A van is out of service before essential medical appointments.

Housing / community support

WATCH FOR Building and client safety, landlord/partner dependencies, emergency coverage

PRACTICAL CONTROLS Premises checks; response roles; alternate sites; communication and escalation

QUESTION TO TRY A property incident closes a location overnight.

Immigration / employment / education

WATCH FOR Sensitive status information, funder deliverables, interpreters, access

PRACTICAL CONTROLS Need-to-know records; interpreter confidentiality; referral and eligibility checks

QUESTION TO TRY A sensitive client record is requested by an outside party.

Arts / foundations / events / animal welfare

WATCH FOR Donor restrictions, events, visitors, volunteers, animal welfare

PRACTICAL CONTROLS Gift acceptance checks; event plans; visitor and animal safety; relevant coverage

QUESTION TO TRY A major event is cancelled or a gift comes with unacceptable conditions.

WHEN ONE RISK TRIGGERS ANOTHER

- Demand grows → workloads become unsafe → staff leave → waiting times rise → clients face greater harm. Response: set service thresholds, triage and referral routes; bring the trade-off to the board.
- An exceptionally trusted employee or volunteer bypasses normal checks → nobody sees a boundary or payment problem in time. Response: design controls that work regardless of the person’s reputation.
- A board avoids a difficult question → risk reporting becomes performative → a major problem goes unaddressed. Response: frame the matter neutrally, get evidence and assign a time-bound next step.

Board risk oversight: reviewing the dashboard

Tool A: 10 checks for board-level oversight

1. Does the dashboard identify our three to five most significant organizational risks?
2. Are financial pressures, cash risks and funding dependencies clearly reported?
3. Does management monitor safe service limits and escalate breaches promptly?
4. Are safeguarding controls, incidents and corrective actions summarized?
5. Does the board receive material workforce safety and service capacity exceptions?
6. Does management demonstrate that privacy and cybersecurity controls are tested?
7. Is independent verification of payments and fraud safeguards in place?
8. Have essential service continuity and executive absence plans been tested?
9. Is there a safe route to raise significant concerns involving leadership?
10. Do we review status, overdue actions and needed decisions at least twice yearly?

Use a concise management-prepared dashboard; ask for evidence and decisions, not operational reports.

15-MINUTE BOARD DASHBOARD REVIEW (AT LEAST TWICE A YEAR)

3 minutes	Which of our top risks has changed since the last meeting?
5 minutes	What do our warning indicators say and how do we know the control works?
5 minutes	What is the decision or support management needs from the board?
2 minutes	Confirm owner, due date and what comes back to the next meeting.

PRIVATE REFLECTION: THE ELEPHANT IN THE ROOM

Is there a significant issue that the board or leadership team keeps avoiding? Describe the situation, not an identifiable person. Allegations of abuse, harassment or wrongdoing belong in established confidential reporting processes, not an open workshop discussion.

The risk we may be avoiding:

Why this could harm clients, people or the mission:

Evidence and perspectives we would need:

A safe next step, reporting route and owner:

Date we will revisit it:

Tool B: Two-minute organizational self-check

Mark Yes, Partly, No or Not applicable. This is a conversation starter, not a validated risk score. For legal and safety duties, a “Partly” must be investigated—not treated as acceptable.

What evidence do we have?	Check
1. The board reviews a risk dashboard at least twice yearly and confirms management is monitoring safeguards and material issues.	Yes / Partly / No / N/A
2. We have current cash visibility, know restricted funds and have discussed major funding loss.	Yes / Partly / No / N/A
3. Critical services have a safe capacity limit, escalation route and back-up/referral option.	Yes / Partly / No / N/A
4. Staff and volunteers understand activity-specific safeguarding and incident reporting.	Yes / Partly / No / N/A
5. Workplace violence/harassment duties are addressed, including lone work and supervision.	Yes / Partly / No / N/A
6. Sensitive records have role-based access, privacy practices and a response for disclosure.	Yes / Partly / No / N/A
7. We use MFA, tested backups and independent verification of changed bank instructions.	Yes / Partly / No / N/A
8. Someone independent checks financial transactions and restricted donations are tracked.	Yes / Partly / No / N/A
9. We have tested emergency leadership/continuity arrangements, and the board has a safe way to raise risks it may be avoiding.	Yes / Partly / No / N/A
10. We know our next legal/funder deadlines and have verified key insurance exposures.	Yes / Partly / No / N/A

Tool C: One-page risk action plan — illustrative example (community counselling)

Use one sheet for each of your three to five most significant risks. A management action plan is specific enough that someone can tell whether the promised action happened.

Field	Illustrative example
Risk statement	Demand may exceed the service capacity needed to deliver safe, timely counselling.
Possible consequence	Unacceptable delays, employee burnout, inconsistent triage, reduced client safety.
Existing controls	Referral criteria; weekly team huddles; supervisor access.
Control gaps	No agreed capacity threshold or backup referral process.
Action 1 / owner / due	Program manager: propose caseload and wait-time escalation triggers within 30 days.
Action 2 / owner / due	ED: negotiate/refine partner referral options within 45 days.
Early warning	Wait time exceeds local threshold for two consecutive reviews.
Response trigger	Escalate to ED and board chair according to approved thresholds.
Review date	Monthly in management; at least twice yearly to board, or sooner if triggered.

A USEFUL RISK STATEMENT

FORMULA There is a risk that [event or condition], which could lead to [harm to people, services, finances or mission].

Tool D: Blank risk action plan

Complete this during the workshop or with your management team. Each action needs one accountable owner and a date—not merely a committee name.

Priority risk: There is a risk that…

What harm could follow (clients, staff, finance, service or reputation)?

What safeguards are already working?

Where is the control weak or missing?

Action 1 — what / accountable person / due date

Action 2 — what / accountable person / due date

Early-warning measure and threshold (what triggers action?)

First response if the risk happens

Who is notified, and when?

Progress review date / evidence to report to the board

Tool E: A risk dashboard that prompts decisions

Choose four to eight indicators tied to your actual risks. Do not collect numbers nobody will act on. Thresholds should reflect your programs, legal requirements and available capacity.

Area	Possible indicator	When to act
Finance	Unrestricted cash runway; months of deficits	Cash falls below board-agreed operating threshold.
Service	Wait time, deferred/declined referrals, capacity exceptions	Persistent deterioration or safety threshold breached.
People	Vacancies, overtime, sick leave, supervisor check-ins	Two or more adverse trends in the same program.
Client safety	Incident/near-miss trend; overdue actions	Any serious incident or recurring control failure.
Cyber/privacy	MFA coverage, restore tests, access exceptions	Critical backup not restore-tested or sensitive breach.
Volunteers	Unfilled shifts, orientation completion	Core service becomes dependent on unscreened/unsupported role.
Governance	Overdue high-priority actions, vacant leadership roles	Repeated missed decisions or no accountable owner.
Continuity	Exercise date; critical supplier backups	Essential service has no workable alternate delivery plan.
Facilities / transport	Inspections completed; hazards fixed; vehicle checks	A known hazard remains uncorrected or transport safety is unconfirmed.

Tool F: A 90-day path from discussion to action

When	Management	Board
Days 1–15	Assemble cross-functional perspectives; identify the “elephant”; shortlist five most material risks.	Ask what could seriously harm people or stop the mission.
Days 16–30	Confirm controls in place and gaps; pick top three actions; assign accountable people and deadlines.	Confirm priorities, oversight needs and risk tolerances.
Days 31–60	Implement cheap/high-value safeguards; test a continuity or incident scenario; remedy critical gaps.	Review exceptions and resource constraints; approve necessary investment.
Days 61–90	Check implementation evidence and early-warning measures; update risk list and communication.	Receive concise top-risk report; schedule review at least twice yearly.

Ontario and Canadian legal checkpoints

This section identifies issues to verify for your corporation, programs and employee base as at October 26, 2026. It is not legal advice. Obligations depend on incorporation, charity status, program licence, activity, employees, records, funder agreements and insurance contracts. The short summaries below point to primary sources in the source directory.

ONCA: GOVERNING DOCUMENTS, AUDITS AND CONFLICTS

Most Ontario-incorporated nonprofit corporations are governed by ONCA, rather than the federal Canada Not-for-profit Corporations Act. The ONCA transition period ended October 18, 2024; inconsistent old bylaws may be deemed amended by law. Under ONCA s. 76, the public-benefit-corporation financial-review thresholds are generally: up to $100,000 revenue, members may waive audit and review engagement; over $100,000 but under $500,000, members may authorize a review engagement; $500,000 or more, audit required. The waivers require an extraordinary members' resolution and funders may impose stricter rules. Conflict-of-interest obligations for material transactions under ONCA s. 41 are separate from useful annual declarations.

References: [C02] [C03] [C32] [C33]

ONTARIO BUSINESS REGISTRY ANNUAL RETURN

An Ontario corporate Annual Return is separate from a charity's T3010. Current Ontario Business Registry guidance says corporations file the Annual Return within six months after fiscal year-end and update required changes promptly. Confirm the record and instructions for your corporation rather than relying on an old paper filing schedule.

References: [C29] [C36]

CRA REGISTERED CHARITIES: T3010, RECEIPTING AND RESTRICTED GIFTS

Every registered charity files a complete T3010 within six months after fiscal year-end. Missing it can lead to revocation. Only eligible gifts may receive official donation receipts; keep accurate receipts, respect restricted-gift terms and ensure bookkeeping distinguishes restricted funds from operating cash.

References: [C04] [C20]

DISBURSEMENT QUOTA FOR REGISTERED CHARITIES

CRA applies a disbursement quota to the average value of property not used directly in charitable activities or administration over a 24-month period. The starting threshold is over $100,000 for charitable organizations and over $25,000 for foundations; the current rates are generally 3.5% up to $1 million and 5% on the excess, subject to adjustments. Not every charity has a positive calculated quota. Verify your calculation with CRA guidance and your accountant.

References: [C22]

WORKPLACE VIOLENCE AND HARASSMENT: OHSA

Employers covered by Ontario's Occupational Health and Safety Act must prepare and review workplace violence and harassment policies at least annually; establish and maintain the required programs; and assess workplace violence risks, with reassessment as needed. The workplace harassment program must be written. Policies must be in writing and posted or electronically accessible where six or more workers are regularly employed; the five-or-fewer exception to written/posted policies does not remove the underlying duties.

References: [C11] [C19]

CHILD PROTECTION: DIRECT AND ONGOING REPORTING

Under CYFSA s. 125, a person with reasonable grounds to suspect specified protection concerns involving a child younger than 16 must immediately report to a children's aid society. This is the individual's personal, ongoing duty: reporting to a supervisor is not enough and later new grounds require a further report. For ages 16 and 17, the s. 125 mandatory duty does not apply, although reports may be made; other specific obligations may apply. Do not delay legally required reports for an internal investigation.

References: [C10]

POLICE CHECKS, SCREENING AND LICENSED CHILDCARE

Ontario has several police-check types, and vulnerable-sector checks are for qualifying positions of trust or authority over children or vulnerable people. A check alone does not replace interviews, reference checks, training, safe role design or supervision. Licensed childcare has specific screening and volunteer-supervision requirements under O. Reg. 137/15; other regulated programs may have their own rules.

References: [C09] [C14] [C30]

PRIVACY: MORE THAN ONE POSSIBLE LAW

PIPEDA generally applies to relevant commercial activities, not automatically to every nonprofit activity. PHIPA governs personal health information handled by covered health information custodians and agents. CYFSA Part X applies to certain funded/licensed child and youth service providers, with different rules from PHIPA; public-sector privacy laws may also apply. Match your actual records and program role to the correct rules for collection, disclosure, retention, access, correction and breach response.

References: [C07] [C08] [C28]

ACCESSIBILITY: 2026 AODA REPORTING

Ontario businesses and nonprofits with 20 or more employees generally must file an accessibility compliance report by December 31, 2026. Designated public-sector organizations have different schedules. Employers below 20 are not exempt from applicable accessibility standards, training and policy duties. Check the Ministry guidance for your employee count, size and organization type.

References: [C05] [C31]

HIRING ADVERTISEMENTS: ONTARIO RULES SINCE JANUARY 1, 2026

For employers with 25 or more employees on the day of a publicly advertised posting, the ESA generally requires expected compensation or range, disclosure of AI used to screen/assess/select, and a statement of whether an existing vacancy exists; Canadian-experience requirements are prohibited. The guide also specifies the $50,000 range rule and exemptions for compensation over $200,000, the 45-day interviewed-applicant update, and three-year records. Count people, not FTEs.

References: [C06] [C24] [C34]

EMPLOYMENT DECISIONS

Offer letters, accommodation, performance management, discipline, termination and restructuring carry ESA, Human Rights Code and potentially common-law risks. Seek qualified employment-law advice before consequential changes, rather than treating a generic template as sufficient.

References: [C26] [C27]

CHARITY ADVOCACY

CRA permits registered charities unlimited nonpartisan public-policy dialogue and development activities that further their charitable purposes. Direct or indirect support for, or opposition to, a political party or candidate remains prohibited.

References: [C12]

ONTARIO FOOD DONATION PROTECTIONS

Ontario’s Donation of Food Act, 1994 provides defined limits on civil liability for donating or distributing donated food, with exceptions and a separate test for individual directors, employees, agents and volunteers. It does not excuse unsafe food handling or remove other program requirements.

References: [C17]

INSURANCE AND CONTRACTS

Before renewal or new programs, ask the broker whether abuse-related allegations, volunteer driving/client transportation including non-owned automobiles, cyber events and other key activities are covered; check exclusions, limits, notification deadlines and actual policy wording. Review important grant/contract promises and licences with appropriate advisers.

References: [N18]

NEVER TRADE SAFETY FOR SIMPLICITY

A lean organization may need fewer forms, but it still needs the safeguards and professional support warranted by the actual level of risk and all applicable laws, licences and contracts.

Sources and further reading

Source identifiers [C##] and [N##] match those in the risk profiles and legal checkpoints. The U.S. Nonprofit Risk Management Center is a practical source, not a source of Canadian law. Ontario and Canadian government, regulator and original sector sources are preferred for legal requirements and current statistics. Legal checkpoints reviewed against selected government and regulator sources on October 26, 2026; follow links for current requirements. Clickable versions of every source are maintained at nonprofithelp.ca/risk.

Ontario and Canadian evidence and official guidance

- **[C01]** Ontario Nonprofit Network — 2026 State of the Sector survey policy report (741 respondents, published October 15, 2026)
- **[C02]** Government of Ontario — Guide to the Not-for-Profit Corporations Act, 2010
- **[C03]** Government of Ontario — ONCA transition considerations
- **[C04]** Canada Revenue Agency — When to file the T3010 return
- **[C05]** Government of Ontario — Accessibility rules for businesses and non-profits
- **[C06]** Government of Ontario — Requirements related to publicly advertised job postings (2026)
- **[C07]** Office of the Privacy Commissioner of Canada — How PIPEDA applies to charitable and non-profit organizations
- **[C08]** Information and Privacy Commissioner of Ontario — Collection, use and disclosure of personal health information (PHIPA)
- **[C09]** Government of Ontario — Police record checks and vulnerable sector checks
- **[C10]** Ontario legislation — Child, Youth and Family Services Act, 2017, section 125
- **[C11]** Government of Ontario — Workplace violence and workplace harassment guidance under OHSA
- **[C12]** Canada Revenue Agency — Public policy dialogue and development activities by charities
- **[C13]** Canadian Centre for Cyber Security — Baseline cyber security controls for small and medium organizations
- **[C14]** Volunteer Canada — Ten steps of volunteer screening (PDF)
- **[C15]** CanadaHelps — The Giving Report 2026 and official results release
- **[C16]** Canadian Centre for Cyber Security — Ransomware Threat Outlook 2025–2027
- **[C17]** Ontario e-Laws — Donation of Food Act, 1994
- **[C18]** Carleton University, Charity Insights Canada Project — securing core operating costs (2024 research)
- **[C19]** Government of Ontario — workplace violence and harassment legal guidance
- **[C20]** CRA — checklist for complete and accurate official donation receipts
- **[C21]** Hamilton Community Foundation — cyber-security update (public organizational statement)
- **[C22]** CRA — disbursement quota calculation
- **[C23]** Hamilton Community Foundation — audited financial statements for March 31, 2024 (Note 15)
- **[C24]** Ontario — Employment Standards Act: recent changes affecting job advertisements in 2026
- **[C25]** CanadaHelps — May 12, 2026 news release: report figures for 2025 online donations
- **[C26]** Ontario ESA guide — severance pay and the possibility of greater common-law rights
- **[C27]** Ontario Human Rights Commission — disability discrimination and duty to accommodate: employer guide
- **[C28]** Government of Ontario — Privacy rules in the child and youth sector (CYFSA Part X)
- **[C29]** Ontario Business Registry — corporate Annual Returns, change notices and current filing instructions
- **[C30]** Ontario e-Laws — O. Reg. 137/15 under the Child Care and Early Years Act (screening ss. 59–65)
- **[C31]** Ontario — Guide to accessibility compliance for industry; staffing counts and training obligations
- **[C32]** Ontario e-Laws — Not-for-Profit Corporations Act, 2010, section 76 (financial audits/review engagements)
- **[C33]** Ontario e-Laws — Not-for-Profit Corporations Act, 2010, section 41 (conflicts of interest)
- **[C34]** Ontario e-Laws — O. Reg. 476/24, job postings under the Employment Standards Act
- **[C35]** Government of Ontario — AODA accessibility rules for businesses and nonprofits
- **[C36]** Ontario e-Laws — Corporations Information Act, section 3.1 (annual return statutory provisions; compare current OBR guidance)

Nonprofit Risk Management Center — specialist practice resources (U.S.)

- **[N01]** NRMC — Manage Risk With Intention This Year (2026)
- **[N02]** NRMC — When Financial Stress Hits Your Nonprofit, Try These Steps
- **[N03]** NRMC — The Fundraising Risk Issue — Spring 2026
- **[N04]** NRMC — Managing Executive Turnover Risk
- **[N05]** NRMC — Board Development: Surf the Board Talent Pipeline
- **[N06]** NRMC — The Cyber Risk Issue — Summer 2026
- **[N07]** NRMC — A Step-by-Step Framework to Mitigate AI Risk
- **[N08]** NRMC — Fraud Risk: Every Nonprofit Mission is Exposed
- **[N09]** NRMC — The Volunteer Risk Issue — Fall 2026
- **[N10]** NRMC — Craft a Volunteer Training Program That Works
- **[N11]** NRMC — Key Principles in Youth Protection: Considerations and Action Steps
- **[N12]** NRMC — How to Create a Business Continuity Plan
- **[N13]** NRMC — Communicating During a Crisis
- **[N14]** NRMC — The Risk Management Process
- **[N15]** NRMC — How to Conduct a Risk Assessment
- **[N16]** NRMC — Is This Money Worth the Cost?
- **[N17]** NRMC — Providing Mental Wellness Support and Services to Staff at Small Nonprofits
- **[N18]** NRMC — Contemplating Coverage: Insurance for Nonprofits

- **[N19]** NRMC — A Violation of Trust: Fraud Risk in Nonprofit Organizations
- **[N20]** NRMC — The Changing Volunteer Landscape

RESEARCH DISTINCTION

ONN describes findings among responding Ontario organizations; the Nonprofit Risk Management Center offers useful U.S.-based practice ideas, not Ontario legal requirements. Ontario law, CRA and other Canadian primary sources govern legal compliance.

Helpful starting points

- Ontario Nonprofit Network, 2026 State of the Sector survey policy report (741 respondents, published October 15, 2026) — https://theonn.ca/topics/advocacy/nonprofit-sector-surveys/
- Ontario, ONCA overview — https://www.ontario.ca/page/not-profit-corporations-act-2010
- Ontario, Child, Youth and Family Services Act, 2017, s. 125 — https://www.ontario.ca/laws/statute/17c14#BK166
- Ontario, OHSA workplace violence and harassment guide — https://www.ontario.ca/document/guide-occupational-health-and-safety-act/part-iii0i-workplace-violence-and-workplace-harassment
- Ontario, AODA accessibility compliance reporting — https://www.ontario.ca/page/completing-your-accessibility-compliance-report
- Ontario, AODA rules for businesses and nonprofits — https://www.ontario.ca/page/accessibility-rules-businesses-and-non-profits
- CRA, T3010 filing deadline — https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/operating-a-registered-charity/filing-t3010-charity-return/when-file.html
- CRA, charity books and records — https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/operating-a-registered-charity/books-records.html
- CRA, official donation receipts — https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/checklists-charities/issuing-complete-accurate-donation-receipts.html
- Canadian Centre for Cyber Security, guidance — https://www.cyber.gc.ca/en/guidance
- Melanie Lockwood Herman, Manage Risk With Intention This Year (NRMC, 2026) — https://nonprofitrisk.org/resources/manage-risk-with-intention-this-year/
- Office of the Privacy Commissioner of Canada, PIPEDA and nonprofits — https://www.priv.gc.ca/en/privacy-topics/privacy-laws-in-canada/the-personal-information-protection-and-electronic-documents-act-pipeda/

Educational use only. Law, guidance and filing portals may change after publication; confirm the current rule and its applicability before taking a legal, employment, tax, privacy, insurance or licensing decision.

A practical next step for your organization

You do not need an elaborate risk-management system. You do need clear priorities, safeguards that people follow, and a board that reviews management's risk dashboard at least twice yearly.

Start with the self-assessment and the one-page risk action plan at your next management or board meeting. If you want a faster starting point, use the companion guide for 0–10, 11–50 or 51+ paid employees. Choose three to five important risks; assign owners and decide how to recognize early warning signs.

Using this guide in the real world: what the evidence says

Three evidence streams—not three versions of the same advice

Ontario reality (ONN 2026). In a survey of 741 organizations, 65% reported constraints on their work; 31% reported no access to reserve funds; 61% of organizations identifying difficult volunteer roles named board/committee positions; and 8% rated their risk of ceasing to exist within three years as high. These are respondent findings—not population-wide forecasts or a score for any particular charity. See the ONN policy report, printed pp. 4, 32, 39 and 41.

Nonprofit risk practice (Nonprofit Risk Management Center, United States). A risk register can be useful for tracking a few decisions, but very long ranked lists and speculative numerical scores can distract from action. Ask: What could go wrong? What control do we actually use? What evidence shows it works? What will trigger intervention?

Canadian implementation guidance. Volunteer Canada treats screening as ten ongoing steps, including role design, reference checking, orientation, supervision and feedback—not a single police check. The Canadian Centre for Cyber Security emphasizes practical controls including multi-factor authentication, backups, updates, secure access and an incident-response plan.

Legal obligations are different from good practice. Ontario employment, health-and-safety and accessibility rules; CRA charity requirements; privacy obligations; and licensed-program rules depend on the organization and its activities. Our 0–10, 11–50 and 51+ groupings are teaching choices, never legal exemptions.

The most useful twice-yearly board risk review

1. **Direction and risk:** Which significant risks could derail our mission or prevent us from taking the worthwhile risks needed to serve the community?
2. **A short view:** Which three to five material risks require board attention this period—not every operational issue?
3. **Working safeguards:** What independent or sample evidence shows that critical controls happen in practice?
4. **Action and accountability:** Who owns each action, when will it be reviewed, and what early warning requires management or board escalation?
5. **Candour:** What is new, uncertain or still not working? Board reporting should allow a genuine discussion, not create false confidence.

TWO RELATED FRAMEWORKS, EACH WITH A DIFFERENT JOB

The 16 risk categories in this educational guide help leaders notice specific issues. In customized organizational reviews, The GuardRails groups findings into nine broader enterprise-risk domains to build a concise scorecard. Neither number is a statutory standard, and the dashboard should never replace detailed program safety controls.

A sample dashboard and all other resources—including editable Word templates—are free to download directly at https://nonprofithelp.ca/risk/. No registration, email request or consultation is required.

Optional support: risk oversight, governance and strategy

Board governance training. A customized board learning and discussion process covering director roles, oversight, effective meetings, decision-making and practical risk questions.

The GuardRails — enterprise risk review and board dashboard. A tailored process using confidential feedback, leadership interviews and document review to identify material risks, specify safeguards and owners, and prepare a practical board-ready risk scorecard and action plan.

The RoadMap — strategic planning. A facilitated process involving the people served, staff and board, ending in agreed strategic priorities and a practical implementation dashboard.

Hartley Nonprofit Consulting Inc. advises Ontario nonprofits, registered charities and Family Health Teams on governance, strategy, enterprise risk management, board development and organizational practice.

Complete guide, three size-specific implementation guides and editable worksheets: https://nonprofithelp.ca/risk
Learn about our consulting services: https://nonprofithelp.ca

Scan for every free conference resource and template
nonprofithelp.ca/risk/

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