MANAGING NONPROFIT RISK REASONABLY: LESSONS & REAL TOOLS

the impact exchange

A CONFERENCE FOR THE NONPROFIT SECTOR

IDEAS. CONNECTIONS. IMPACT.

Presenting Sponsor

Host Organization

David Hartley | Trainer | Oct.28, 2026

Email David any time: david@nonprofithelp.ca

Our website: www.nonprofithelp.ca

ONE ENERGY STARTER

We are all stranded on a Caribbean island — you have to choose ONE TEAM forever!

1



Building & Construction

- Build shelter & tools
- Raise the lookout tower

2



Meals & Water

- Find food & fresh water
- Keep the campfire cooking

3



Future Rescue

- Signal fires & SOS plans
- Watch the horizon for ships

4



Entertainers

- Music, games & island stories
- Keep morale sky-high

My Background

David Hartley, C.R.M.

Hartley Nonprofit Consulting Inc. | **Canadian Risk Management designation**

19 YEARS full-time
working with Canadian nonprofits

28,000+
leaders trained, online and in person

220+
Canadian towns and communities

Experience in the nonprofit sector (after working for 2 of 3 largest Canadian insurers):

2012–present	Founder and consultant, Hartley Nonprofit Consulting (www.nonprofithelp.ca)
2007–2012	Director, Insurance & Liability Resource Centre, Imagine Canada

My main areas of work

Board governance | **Strategic planning** | **Enterprise risk management**

2 DASHBOARDS = PROACTIVE GOVERNANCE

DASHBOARD 1: THE ROADMAP

Strategic Plan Dashboard
(we build this too)
Reviewed 3–4 times per year
Shows priorities, goals, and progress
Where your organization is going

DASHBOARD 2: THE GUARDRAILS

Enterprise Risk Management Scorecard
(we build this now!)
Reviewed ~2 times per year
Shows top risks, ratings, mitigation, and owners
What could derail the plan

Together: Direction + Protection = Proactive Governance

2026 ONTARIO NONPROFIT SECTOR SURVEY

741 Ontario organizations participated in ONN's 2026 survey. Results describe respondents' experiences—not the risk level of any individual organization.

RESPONDENT MIX BY ANNUAL OPERATING BUDGET

N = 739 | Approximate counts

SMALL	MEDIUM	LARGE	NOT STATED
39%	35%	23%	3%
≈ 288	≈ 259	≈ 170	≈ 22
Under $500k	$500k to under $3m	$3m or more	Budget not provided

WHAT ONN RESPONDENTS REPORTED	WHY IT MATTERS FOR RISK MANAGEMENT
A) 84% reported rising expenses; 44% reported rising revenue.	Forecast cash pressure; a balanced budget does not necessarily mean financial resilience.
B) 77% reported greater service demand; 60% could only somewhat meet demand.	Establish service limits and safe referral pathways when demand exceeds capacity.
C) 31% reported no access to reserves; 34% of those with reserves used them (which is 23% of all respondents).	Agree on a reserve target and clear triggers for action if cash conditions deteriorate.
D) 53% of organizations with paid staff had recruitment/retention problems; 47% used volunteers to fill staff gaps.	Review workload, role competence and supervision when filling staffing gaps.
E) 45% reported volunteer recruitment/retention problems; 61% cited board/committee roles as difficult to fill.	Treat volunteer capacity and board recruitment/succession as continuity risks.
F) Three-year risk of not existing: 59% low, 33% medium and 8% high.	Include funding-loss and service-interruption scenarios in contingency planning.

QUESTION BASES: 34% reserve use: n=508 with reserves; 53% staff issues: n=619 with paid staff; 47% filling gaps: n=609; 61% board/committee roles: n=332.

SOURCE: ONN / Environics Research, 2026 State of the Sector survey. Size bands are presentation groupings; counts estimated from rounded percentages.

Non-probability survey: respondents are not statistically representative of all Ontario nonprofits.

ONTARIO NONPROFIT NETWORK

The Bad News: Risk is too large to cover today.

01 Financial sustainability and funding concentration

02 Demand exceeding safe & sustainable service capacity

03 Client safety, safeguarding and incident response

04 Staffing, burnout, management capability and workplace safety

05 Cybersecurity, privacy and information stewardship

06 Board oversight, renewal and risk-aware governance

07 Volunteer capacity, screening, boundaries and supervision

08 Fraud, theft, financial controls and misuse of assets

09 Business interruption and emergency service continuity

10 Executive succession and concentration of key knowledge

11 Fundraising volatility, donor influence and mission drift

12 Artificial intelligence and third-party technology

13 Organizational ethics, culture, complaints and reputation

14 Growth, partnerships, shared services and mergers

15 Legal, regulatory, contractual and insurance gaps

16 Facility safety, property hazards and transportation

The Good News: we have all 16 risks covered

Freely download all TEN of our files at this "hidden link" created for this conference:

nonprofithelp.ca/risk

SCAN FOR RESOURCES

01 COMPLETE RISK GUIDE

All 16 risks, practical safeguards and Ontario legal checkpoints.

02 THREE SIZE-SPECIFIC GUIDES

Tailored advice for 0–10, 11–50 and 51+ paid employees.

03 THIS POWERPOINT

This PowerPoint and a short workbook for board and leadership discussions.

04 EDITABLE RISK TOOLS

Action plan, compliance calendar, board dashboard and Excel toolkit.

Use what fits your organization. Every document has practical next steps.

In Our 90 Minute Session: Managing Nonprofit Risk Reasonably

PART 1

19 principles I've learned in 19 years — with real examples along the way.

PART 2

What to do with a risk once you've named it: filter it, take action, create a plan, communicate.

Everything from today is free at nonprofithelp.ca/risk — no need to take notes.

1 What is risk? Four things you are protecting

Risk is… virtually anything that threatens or limits the ability of an organization to achieve its mission. You have a legal duty to use the organization's assets prudently (reasonably). Assets fall into 4 categories:

1) PEOPLE	Clients, staff, board members and other volunteers, and others.
2) PROPERTY	Buildings, equipment, materials, intellectual property.
3) INCOME	All forms of revenue.
4) GOODWILL	Reputation, stature in various communities, ability to attract/keep clients & income.

2 Risk management is not about avoiding risk. It is about taking the right risks.

Nonprofits exist to accomplish difficult missions. That means accepting uncertainty, pursuing worthwhile opportunities and sometimes taking bold action.

The objective is to make informed decisions, protect people and improve the organization's chances of achieving its mission**—not eliminate every possibility of failure.**

Source that assisted with this slide: Nonprofit Risk Center (www.nonprofitrisk.org)

2 Way more about people than policies

ORGANIZED COMMON SENSE	One definition for risk management: “organized common sense.”
ALL EYEBALLS	Your most valuable resource is your own STAFF and BOARD and your local ASSOCIATIONS.
THE WISDOM OF CROWDS	Large groups of people are smarter than an elite few, no matter how brilliant. (James Surowiecki)

2 “Bad vs. good” fear?

TOXIC FEAR

TOXIC FEAR paralyzes. There is a lot of fear based on fake evidence appearing real. And it can lead to knee jerk risk management.

ADAPTIVE FEAR

ADAPTIVE FEAR looks at risk more realistically. It pushes fear through a process to determine whether it needs to be addressed now or later or not at all. And that process is .... Reasonable, not Perfect.

3 Do you have a risk “elephant in the room” ?

The most serious risk is sometimes the one everyone knows about but nobody wants to discuss.

It might be poor leadership, a failing program, a dysfunctional board or a financial weakness.

Effective risk management requires the courage to address uncomfortable truths.

Source that assisted with this slide: Nonprofit Risk Center (www.nonprofitrisk.org)

3 An elephant example

For example — wonderful staff / volunteers who go beyond the unwritten boundaries of their role in ways they should not.

Examples among my own clients over the past 19 years:

- Children's Aid Volunteer Drivers
- Hospice staff in client's homes
- only one person who knows how to do the payroll at a health organization
- a founding CEO who needs to retire

3 Name the elephant: four questions worth asking

Today's principles name familiar habits. These questions help uncover the risks beneath them.

01 THE UNNAMED RISK (the "elephant in the room")

What important risk does everyone sense—but find difficult to discuss?

02 FINANCIAL CANDOUR

What about our finances would surprise our strongest supporters?

03 PROGRAM RELEVANCE

Which program or practice are we keeping despite its declining value?

04 KEY PEOPLE

If a senior leader suddenly left, which essential work would stop?

Choose ONE privately. Use it to identify a real risk on the next slide.

Source: Adapted from Melanie Lockwood Herman (2026), Manage Risk With Intention This Year, Nonprofit Risk Management Center.

3 Private reflection: name the elephant in the room

“I think _____ might be our elephant”.

WRITE IT PRIVATELY

Think of an important organizational concern that is difficult to discuss.

CONFIDENTIAL

No names. Nobody collects your notes. Report actual safety concerns through proper channels.

The aim is an honest, evidence-based conversation—not gossip or blame.

4 Protect staff & board : 4 Fear Busters.

INCORPORATION	Incorporation — with letters patent updates kept current.
STRONG INSURANCE	Strong insurance. Use David’s 12 questions for your broker (next slide).
FRESH RISK DASHBOARD	A fresh risk dashboard every 3 years. Update it regularly just like your strategic plan dashboard.
FRESH COMPLIANCE CALENDAR	A regularly updated calendar of current legal and funder requirements your organization has to meet.

DAVID'S 12 QUESTIONS TO EMAIL YOUR INSURANCE BROKER/AGENT DURING 2026

1 Start by creating a list of all people groups that are involved with your Canadian non-profit or charity (e.g. entity itself, staff, board, volunteers, committees, joint committees with other organizations). Ask your broker or agent if all of these people groups (don't list individual names) are covered by all of your policies.

2 Create a list of your mission activities and then any significant risks your leaders are concerned about (e.g. from a risk map). Ask if each of these significant risks are covered. If not, ask why not and what additional coverage they suggest. This is done best during a risk assessment (accomplished from scratch every 3 years).

3 Confirm that you have CROSS LIABILITY coverage on all of your liability policies. This provides coverage if one of your own staff, board members or other volunteers are sued by someone else within the organization.

4 Ask if you have any contents covered with actual cash value coverage? This is "garage-sale value" coverage (it deducts for depreciation and is therefore the lowest coverage you can buy). Especially check your laptop computers (not worth insuring an older laptop with this type of coverage as it will be under your deductible anyway). If you do have this coverage, why, and what the additional cost would be to get replacement cost coverage. Or consider no coverage.

5 Request a list of current policy limits & deductibles: building, contents, any special contents and various liability coverages. Then ask for advice: are each of our policy limits (for a single occurrence and aggregate) too high or too low. What about our deductibles? Should we consider higher deductibles? How would our premium change?

6 Ask if there are any specific CONDITIONS in any of the policies that you should be aware of.

7 For your Liability Policies ask if you have "entity coverage" as well as coverage for lawsuits against individual board members (or other volunteers if you should have them) and staff.

8 Ask if you have "wrongful dismissal" coverage if you have staff. Ask if you have full EPL (Employment Practices Liability) coverage which means coverage for things like: defamation, harassment, discrimination, wrongful deprivation of career opportunity, wrongful discipline, failure to promote, etc. If not, why not ?

9 Technology risks (e.g. cyber security) have become front and centre risks. These risks, and the insurance available, are changing all of the time. Ask what coverages you have and what you don't have and what they suggest. Good questions to ask is "Do I have both first party and third party coverage on my cyber liability coverage?" and "Are privacy breach notification expenses included?". Also watch your deductibles – make sure they aren't so high you won't be able to use coverage.

10 Confirm that each of your liability policies have "Duty to Defend" coverage. A Duty to Defend policy assures the insured that the insurer will provide them with a defense from dollar one, regardless of the deductible on your policy. An indemnification policy will require the insurer to apply the deductible up front (like an auto policy) prior to defending the claim.

11 Directors' and Officers' Liability is important coverage that is provided in an insurance format called "claims made". This type of policy is a bit tricky, however the important point is that you need to have continuous coverage over the years as claims may be made for something that happened decades ago. Changing insurers is fine, however you have to be careful to ensure that you don't have any gaps in coverage when you switch over (or by having a policy cancelled for non-payment, etc.). If your policy shows an "initial coverage date" of October 1, 2017 the question is are you covered for legal complaints that may arise for decisions made (by the board or management) prior to this date. Ask your broker if you have a "retroactive date" or "full prior acts coverage".

12 Ask if there are any other coverages that you should consider (whether or not they are offered by your current insurer or a different one)? Or any coverages you currently carry which are unnecessary?

SPECIAL NOTE FOR YOU

(DON'T SEND THIS TO YOUR BROKER):

STEP 1: Every 2 to 3 years ask your insurance broker for 3 written quotes from 3 different insurance companies. This will ensure you are receiving a competitive premium. You want to see these quotes yourself. Note which insurance companies the quotes are coming from as some insurance companies will not quote two different brokers for the same business. If you have an insurance agent (instead of broker) then go directly to step two.

STEP 2: I would suggest you get a quote from another broker as well. Different brokers have different insurers that they work with (they receive secondary commissions called "contingent commissions" from the insurers they have these contracts with based on the amount of business they with them). You can ask a broker which insurers they have these contracts with.

Bottom line: there are 100+ insurers (including M.G.A.s). It is not possible to contact all of these. Your insurance broker may only focus their attention on insurers they have a contract with (which may be only 1 or 5 or 20). This is fully legal, however it makes it valuable to make a few more phone calls.

IMPORTANT: Although this document was edited by insurance professionals it may have errors as insurance changes frequently and may have regional differences, so use this free resource with that in mind. Pass everything by a licensed insurance professional.

5 Protect your mission

FUNDER PRESSURE

Are we being squeezed by a funder or donor to take actions we really should not be taking?

MISSION CREEP

Did we allow mission creep to go for dollars?

6 Busyness does not mean high impact.

A) We say YES too often. We are so busy and tired, essential tasks get dropped.

B) We are so focused on helping people today that we miss defining & measuring “impact”.

C) We hang on to long-time programs, services, practices despite diminishing value / impact.

7 Watch financial resilience, not just the budget

KNOW YOUR CASH

How much unrestricted money is actually available for payroll and essential services?

KNOW YOUR DEPENDENCIES

How much revenue comes from the largest funder? What changes if that funding ends?

Board exercise: If our largest funder leaves, what is our 90-day plan?

7 Finances are tight

84% reported rising expenses

44% reported rising revenue

77% reported increased service demand

31% reported no reserve fund

Source: Ontario Nonprofit Network, 2026 State of the Sector survey (741 participating Ontario nonprofits).

8 We hire too quickly and address poor performance too slowly

TOO SLOW TO ACT

We tolerate poor staff behaviour too long AND don't fire* enough.

PROMOTED UNPREPARED

I like promoting from within. However, often we promote front-line staff to leadership without ensuring they have sufficient leadership talent or preparation.

*** Use an employment lawyer to fire!**

9 Poor work cultures are a massive risk

CULTURES / VALUES

... need to be front and centre.

TEACH THE TRIAGE

Teach people which problems they can solve themselves, which need a supervisor today, and which must go up the chain immediately.

7 CHARACTERISTICS OF A THRIVING NONPROFIT

(Note: cultures are defined by the worst behaviours that you allow to continue.)

1. KINDNESS

I deeply care for our clients and our staff team. I show it with my face, other body language … and my words *(the smallest part of communication)*.

2. MINOR ISSUES

If a good team member offends me in a ***minor*** way on rare occasion, I will let it go and never bring it up to you or anyone in our workplace.

3. MAJOR ISSUES

If an issue/problem is ***major*** for me, I won't bury it, I will bring the issue to the right person at the right time. If I am not ready to do that, I will stay quiet until I am ready.

4. INNOVATION ENCOURAGED

Thriving teams are willing to change. Asking good questions is key.

5. REFRESHINGLY POSITIVE

We hire and advance people who are Faucets (refreshing) not Sinks (draining). People who bring smiles (at least most of the time). We help people find the good in others. If I can't say something in a respectful way I won't say it.

6. THROW WATER NOT GASOLINE

We back each other up. We don't spread negativity. If I mess up, I apologize. That's hard to do, but that is how trust is built and re-built.

7. PROFESSIONAL EXCELLENCE

I do my job well. I do the little things well. I even do the things no one will ever see well. When I mess up, or need help, I say so.

10 Protect staff and volunteers as well as clients

WORKLOADS

Watch vacancies, overtime and cancelled supervision. Agree what will stop, slow or transfer.

LONE WORK

Check in on people working alone or facing client aggression.

NEW MANAGERS

Frontline risk rises when new managers are unsupported. Coach before you promote.

QUIET SIGNALS

Falling reports can mean underreporting, not an absence of hazards.

Board question: Are we being told about workload and safety risks early, or only after incidents?
Ontario OHSA: review violence and harassment policies at least annually. Seek employment-law advice.

11 We become too dependent on a few indispensable people

THE “STARS”

We assume our “stars” will never burn out or leave. Leaders need to watch these incredible staff carefully. And we need to create back-ups for important skills.

FOUNDER’S SYNDROME IS REAL

Board members, EDs/CEOs, staff, there from the early days have to learn to encourage change or we stagnate.

PREPARED BY nonprofithelp

ANNUAL JOB REVIEW TOOL

NAME:

POSITION TITLE:

SIGNIFICANT TASKS	% OF TIME ON EACH TASK	PRIORITY LEVEL OF EACH TASK	JOY LEVEL OF EACH TASK	SKILL LEVEL OF EACH TASK
Please list all core tasks that make up your job. To make this most helpful, keep this list of tasks general, don't include all the various parts of each task. This will take awhile to determine. I think you keep this next to your desk for several months to make sure you capture all core tasks.	**This is the trickiest part of this document.** Try and approximate what % of your time you spend on each task. You can do this per week, or per month, or another better time period based on your job.	**In this column put a "1" next to what you, as a staff member, believe is the real #1 priority task.** Then a "2" next to what you see as the #2 priority and keep numbering until every task has a priority number.	**Please rate how much you enjoy each of the tasks of this job.** Some of the tasks may have various parts with varying degrees of enjoyment. Please just give one overall score per task. **5** = I love doing this task **4** = I like doing this task **3** = It depends ... **2** = I don't like this task **1** = I really dislike this task	**In order to accomplish each task at a high level please rate your personal skill level for each of the tasks you listed.** **5** = I never need assistance & others who are less qualified should do this **4** = I never need assistance **3** = I need assistance less than 20% of the time **2** = I need assistance 20 to 50% of the time **1** = I need assistance more than half of the time

We suggest you do this as an EXCEL spreadsheet with these 5 columns. Each staff member completes this on their own once each year for the person/s they report to. Leadership can then use this to align tasks, time and priority levels. Low skill or joy levels might necessitate training or other changes.

12 Screen your people smartly — especially riskier roles

SCALE THE SCREENING

Those with less supervision (especially 1-on-1 with vulnerable clients) need greater levels of screening and spot checks.

WRITTEN BOUNDARIES

Staff and volunteers working with vulnerable clients need written boundary clarity.

Ontario CYFSA, s. 125: reasonable grounds to suspect a child under 16 needs protection? Report immediately and directly to a children's aid society.

THE SCREENING HANDBOOK

Tools and Resources for the Voluntary Sector



BUILDING A SAFE AND RESILIENT CANADA

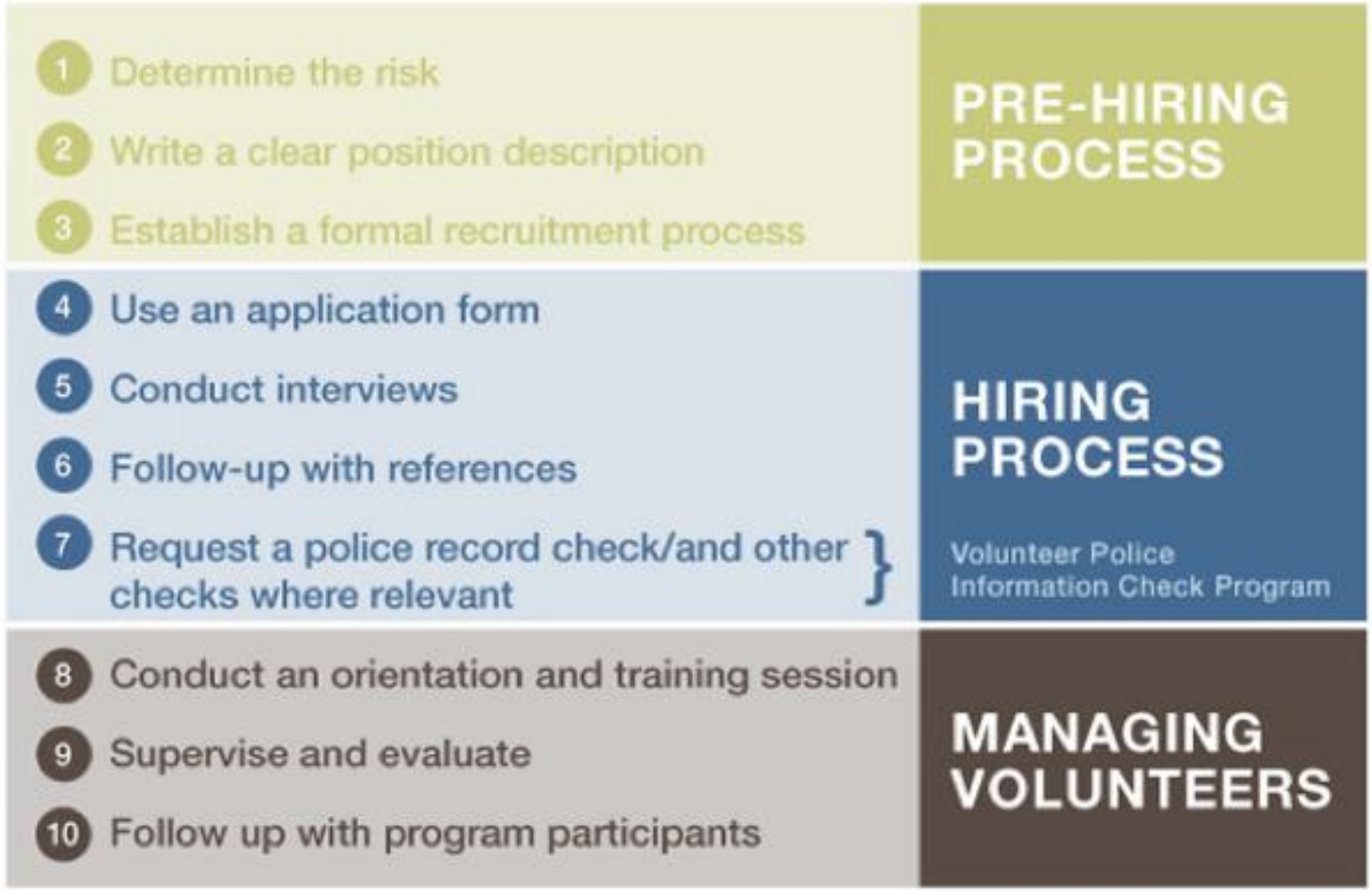
Public Safety Canada | Sécurité publique Canada

Canada

https://www.publicsafety.gc.ca/lbrr/archives/cn22051-eng.pdf

10 Steps to Screening

The most effective way to manage risk in order to keep our clients, volunteers and staff safe is by ensuring a consistent volunteer management process.



Risk:	Low	Medium	High
Participant	• Able-bodied adult	• 15-year-old	• 12-year-old with disability • Infirm senior • Child or baby
Setting	• Meeting room or hall • Off-site public space	• Tents or cabins • Classrooms with doors which have windows	• Participant's home • Classrooms with doors without windows • Off-site private or home meetings with children and youth • Car
Activity	• Religious literature studying • Playing cards • Administrative work	• Youth group meeting • Congregate • Dining teachers	• Friendly visiting • Coaching a travelling hockey team • One-on-one music or liturgical instruction
Supervision	• Supervisor always present • Always in large groups • Documentation of meetings	• Occasionally • Some documentation of meetings or events	• Little to none • No documentation of meetings or events
Nature of the relationship	• Short term • Non-intense • Non-intimate	• Personal relationship • Extends over time	• One-on-one relationship • High level of intimacy and influence

13 Privacy is not just a computer problem

1 PAPER + ACCESS

Paper files, shared mailboxes and system access limited to job need — and removed when people leave.

2 DISCLOSURE

Overheard discussions, unnecessary collection and disclosure to family members are privacy failures too.

3 CLOUD + AI

Do not put identifiable client information into unapproved cloud or AI tools.

Board question: Could we operate critical services for days if our main system were unavailable?

14 Trust is not a control

“Our bookkeeper is excellent.”

Who independently reviews the actual bank statement?

“That volunteer is wonderful.”

Who checks boundaries and supervision?

“Our files are backed up.”

When did someone successfully restore a file?

Trust the person. Still verify that the safeguard works.

14 Real example: $920,057 diverted to fraudulent accounts

$920,057

was sent to fraudulent bank accounts

A simple safeguard: call to verify any change in payment details.

About $64,000 had been recovered; further recovery was still being pursued.

Source: Hamilton Community Foundation, audited financial statements, March 31, 2024, Note 15.

15 Test the basics: three low-cost checks

1 ADD A SECOND LOGIN STEP

Turn on multi-factor authentication: a code or approval in addition to the password.

2 TEST YOUR BACKUP

Try restoring a real file to prove important information can be recovered.

3 VERIFY BANK CHANGES

Call the supplier using a previously confirmed phone number before changing payment details.

Board question: Who checks the bank evidence independently of the person who makes payments?

16 Make it simple and clear to bring complaints

NEVER ANONYMOUS

For clients, staff, volunteers (including board).

Never anonymous — but always guarantee confidentiality (e.g. staff are protected by a whistleblower policy).

EARLY COMPLAINTS

Early complaints can save your bacon!

“Complainers” will complain regardless.

Broaden it: ideas, praise & complaints, or areas we need to improve.

17 We need a list: incidents + complaints + “near misses”

BUILD THE LIST

Review your own documentation for the past 5 years: health & safety, incident reports, customer feedback forms, comment cards.

Someone needs to be responsible for the list.

ONE RISK LIST

Ensure incidents & complaints actually have a formal process that is well communicated and used by all. Hint: add “near misses”.

All of these need to be brought together to ONE RISK LIST.

Key: we are looking for patterns.

18 Leaders need to lead

LEAD IT	Take time for risk • Ask hard questions • Admit mistakes Ask for help (starting with your people) Be responsive to new ideas Establish a balance between your mission, growth and safety
RISK DASHBOARD	The CEO/ED keeps it created and regularly updated. The board asks to see it twice annually — monitor progress, ask questions.
EVERY 3 YEARS	A task force formally re-does the process. We are looking for cracks in our ship, A to Z — and for risk patterns.

19 Give the next step an owner: your action plan

NAME THE RISK	There is a risk that [describe the problem] … which could lead to …
CHOOSE TWO ACTIONS	One immediate safeguard and one stronger improvement.
SET AN EARLY WARNING	What event or number tells you the risk is worsening?
ASSIGN AN OWNER + DATE	Who is responsible, and when will progress be checked?

Today: Managing Nonprofit Risk Reasonably

PART 1

19 principles I've learned in 19 years — with real examples along the way.

PART 2

What to do with a risk once you've named it: filter it, take action, create a plan, communicate.

Everything from today is free at nonprofithelp.ca/risk — no need to take notes.

Step 1: Filter the risks — 4 filters

FILTER 1	Does this risk make sense when compared with our mission/values?
FILTER 2	Are policies & procedures needed — can we get them in place?
FILTER 3	Would stakeholders be satisfied with our reason for keeping the risk if a negative event occurred?
FILTER 4	Do we need/have insurance for this?

Step 2: Take action

KEEP	Accept the risk as is. No changes.
ELIMINATE	Stop doing it.
REDUCE	Change or modify the activity/risk.
TRANSFER	Give away the risk to someone else or another organization (e.g. transfer transportation risk to a bus company). NB: you never fully transfer risk.

Step 3: Create a plan

INVOLVE YOUR PEOPLE

Create a risk plan ensuring all people who are most affected are significantly involved.

DON’T START FROM SCRATCH

For risk policy creation, check with your associations and larger organizations with a similar mission you trust.

Editable templates — risk action plan, compliance calendar, board dashboard — free at nonprofithelp.ca/risk.

Step 4: Communicate, train & watch

COMMUNICATE	Communicate effectively, focusing on positive reasons for managing this risk.
TRAIN	Train whoever needs training.
WATCH	Keep an eye on it — ask staff and volunteers if it is working.
OVER-COMMUNICATE	Over-communicate key points.

The next 30 days: make one change that matters

ONE SIGNIFICANT RISK

TWO PRACTICAL ACTIONS

ONE PERSON RESPONSIBLE

ONE DATE TO CHECK PROGRESS

What will be different by November 27?

Your free risk-management toolkit – created for today:

1 **OPEN THIS LINK**

nonprofithelp.ca/risk

2 **CHOOSE A GUIDE**

Full 16-risk Ontario guide; smaller guides for 0–10, 11–50 and 51+ staff.

3 **USE THE FREE TOOLS**

Workshop slides and workbook, editable risk-action plan, compliance calendar and sample board dashboard.

Free downloads • No registration required

Scan for free resources

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.

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.

SAMPLE

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]

SAMPLE

MY 30-DAY COMMITMENT

One significant risk. Two practical actions. One accountable person. One date to check progress.

ONE SIGNIFICANT RISK

TWO PRACTICAL ACTIONS

ONE PERSON RESPONSIBLE

DATE TO CHECK PROGRESS


THANK YOU
FOR ALL THAT YOU DO

Thank you — please complete United Way's evaluation



Scan the code to evaluate today's training

Free participant resources: nonprofithelp.ca/risk/

Disclaimer: general education, not customized advice

01

GENERAL EDUCATION

The presentation and resource guides explain common risks and practical safeguards. They do not provide legal, employment, tax, accounting, insurance or cybersecurity advice.

02

REQUIREMENTS DEPEND ON YOUR ORGANIZATION

Your legal and funding obligations depend on the services you provide, your structure, your workforce and your agreements.

03

CONFIRM BEFORE IMPORTANT DECISIONS

Use current Ontario and Canadian primary sources. Obtain advice from the appropriate qualified professional when the decision requires it.

Examples are simplified for learning. Follow your own reporting and response procedures.