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**The Annual 2020
Church & Charity Law™ Webinar
Goes *Virtual* - November 5, 2020**

**REGULATING CHARITIES DURING
A PANDEMIC AND THE NEW
VIRTUAL REALITY**

By Tony Manconi, Director General of the Charities Directorate

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Charities Directorate: Regulating charities during a pandemic and the new virtual reality

Church & Charity Law Seminar

November 5, 2020

Canada

At a glance...

- Impacts of the COVID-19 pandemic on the Directorate
- Resuming operations
- Ongoing consultations
- Impacts of COVID-19 on the charitable sector
- Advisory Committee on the Charitable Sector (ACCS)
- ACCS Priorities
- Guidance products
- Serving you virtually
- Updates on our program
- Call Us!

Impacts of the COVID-19 pandemic on the Directorate

- Beginning March 16, 2020:
 - Offices closed
 - Suspended nearly all of our operations in mid-March
 - Actioned critical operations
 - Established remote work for employees
 - Supported funding programs to assist charities

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Resuming operations

- Steps taken to respond to the pandemic and to support charities and the sector:
 - March: Extended the filing deadline for the T3010, Registered Charity Information Return, to December 31, 2020
 - April: Ensured the client service call centre was back and up running
 - May: Prioritized efforts to ensure that the review of applications for registration was on track
 - September: Continued to resume compliance activities including audits, as well as the processing of voluntary revocations and revocations for failure to file

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Ongoing consultations

- Consultation and collaboration with the sector and stakeholders has continued virtually
 - Technical Issues Working Group
 - Federal/Provincial/Territorial
 - The Advisory Committee on the Charitable Sector (ACCS)

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Impacts of COVID-19 on the charitable sector

- Consultations identified the following issues:
 - Charities are suffering a loss of revenue, but increased demands for service.
 - Charities have challenges attracting and keeping volunteers and board members.
 - The charitable sector is in a huge need of investment in technological infrastructure.
 - Charities serving vulnerable populations and communities have been highly impacted.
 - Following the COVID-19 pandemic, the landscape will change for charities.

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Advisory Committee on the Charitable Sector (ACCS)

- The ACCS is a consultative forum for the Government of Canada to:
 - engage in meaningful dialogue with the charitable sector;
 - advance emerging issues relating to charities; and
 - ensure the regulatory environment supports the important work that charities do

- The ACCS provides recommendations to the Minister of National Revenue and the Commissioner of the CRA.

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ACCS priorities

- Five working groups were identified, which will examine the following priorities:
 - Modernizing the regulatory framework in Government as it relates to the charitable sector;
 - Supporting the work of charities serving vulnerable populations;
 - Exploring charity-related regulatory and legislative issues faced by Indigenous Peoples and organizations;
 - Examining the regulatory approach to charitable purposes and activities, including its impact on charities working with non qualified donees, and charities engaging in revenue-earning activities; and
 - Improving data collection and analysis related to the charitable sector.

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Guidance products

- Public policy dialogue and development activities
- Relief of poverty and charitable registration
- Advancement of education and charitable registration
- Advancement of religion and charitable registration
- Canadian registered charities carrying out activities outside Canada
- Using an intermediary to carry out a charity's activities within Canada

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Guidance products

Working through intermediaries - proposed changes

- More clearly describe the types of intermediary arrangements that charities often implement
- Remove reference to "agent" and "agency agreement" and replace with "intermediary" and "intermediary agreement"
- Increase what is considered a minor use of resources (and therefore a written agreement is less important) from \$1000 to \$5000
- Update case law references and use more plain language
- Explain that an intermediary does not have to keep a charity's funds in a separate bank account as long as it accounts for them separately in its books and records
- Make it clear that the CRA will accept photocopies or scanned documents to support expenditures

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Serving you virtually

- Ensuring our employees are equipped to work from home
- Moving from paper to electronic
- Digital services
- Adjusting our programs and activities

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Updates on our program

- We are working to continue the delivery of several programs and projects:
 - Charities education program
 - Charity information sessions
 - Improvements to the registration process
 - My Business Account

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Call us!

- Not sure about the rules?
- Want to make some changes?

Contact a representative Monday to Friday
(except statutory holidays) between 9 a.m. and 5 p.m., local time:

- **By phone:**
1-800-267-2384
- **By TTY service for people with a hearing or speech impairment:**
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Questions?

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