



## Facility-based Incorporation Regional and Local Engagement

### Why incorporation?

The 2014 Memorandum on Regional and Local Engagement provides for funding to support engagement of facility-based physicians.

As part of this program, simple not-for-profit corporations will be set up to receive funding. There are several benefits to incorporating:

- A corporation is a simple legal structure through which funding can be received and disbursed in support of facility-based physician engagement.
- A corporation provides a structure with built-in accountability mechanisms, where directors have a legal responsibility to oversee activities.
- A corporation has legal capacity to enter into contracts related to engagement initiatives so that individual physicians do not have to (e.g., to hire researchers or to employ part-time staff).
- Incorporation provides limited liability for physicians involved.

### What is the structure?

A basic not-for-profit corporation will be set up alongside facility-based Medical Staff Associations (MSAs). The corporation does not replace the MSA, but works alongside it.

The corporation can receive and disburse funding toward engagement of physicians of the corresponding MSA.

The corporation will have directors/officers and members.

**Directors/Officers:** The elected officers of the MSA will also be officers and directors of the corresponding corporation (e.g., MSA president, MSA vice president, and MSA secretary-treasurer). Additional member physicians may also become directors of the corporation. The directors provide general oversight of engagement initiatives and related finances.

**Members:** All physicians who are members of the corresponding MSA are automatically members of the corporation. In general, members can be involved by attending the annual general meeting, where they will be presented with an annual report on

activities and finances related to engagement initiatives, and where they may run for a director position or elect someone else to the position.

### **What are the steps to follow for incorporation?**

There are two main steps for incorporation:

1. Reserve a name for the facility-based physician association.
2. Submit an incorporation application to the Corporate Registry.

Doctors of BC has retained legal counsel from WATSON Advisors Inc. (WATSON), to work with groups to incorporate. Doctors of BC will cover the cost of incorporation.

WATSON will offer the following incorporation services:

- Holding an initial meeting with the facility-based groups to launch incorporation.
- Submitting the name reservation application.
- Preparing and submitting the incorporation application, which includes customized constitution, bylaws, and required forms.

### **What assistance is there for post-incorporation matters?**

WATSON will be available to provide ongoing support to facility-based groups through a general retainer, providing a single point of contact and resource on a full range of governance, regulatory compliance, and general legal matters.

The services include:

- Corporate record keeping as the registered and records office (e.g., to maintain and update the records, minute book, and filings required by the Societies Act).
- Kick-off meetings to support first meetings of directors, organize initial corporate matters, and set an annual calendar.
- Support for initial meetings of Working Groups or special committees to develop customized terms of reference and set an annual calendar.
- Access to a governance handbook and toolkit (e.g., with template documents including minutes for meetings and an annual general meeting agenda and script).
- Support in organizing and facilitating the annual general meeting.
- Ongoing governance support and access to legal resources (e.g., preparing and reviewing directors' resolutions, template agreements).
- A discount on rates for other services (e.g., drafting specific legal documents, specialized governance education, discrete legal opinions).