

Understanding Board Governance in a Child Care Organization

Volunteering on a non-profit Board of Directors can be a very rewarding experience benefitting the growth of the organization and enhancing your own business develop skills. However, it is important to understand that volunteering to sit on the Board of Directors for a child care organization can be challenging for a number of reasons.

Firstly, Board members in the majority of child cares are also clients of the organization; this situation potentially puts everyone on the Board in a conflict of interest position from the start. Board members often struggle with the parent hat versus the business hat, interfering with an individual board member's ability to make impartial decisions and the Board as a whole in making sound/prudent business decisions.

Secondly, Board members often do not realize besides the child care offering a great program, the organization is a business unto itself and therefore must adopt "best" board and business practices.

Thirdly, Board members need to gain an understanding of how child care organizations are regulated by the Ministry of Education (the Day Nurseries Act) regional and/or municipal funders, Public Health, Ministry of Labour, etc

The term **governance** describes the relationship between the families who elect the Board of Directors to act in Trusteeship of the corporation, the professional staff who manages the day-to-day operations, the program, and care for the children and the directors and officers of the Board who provide strategic leadership.

The Boards of Directors is accountable to the families who comprise the membership of the organization as well as the regulatory bodies. It is the job of the Board to govern the corporation with due diligence, and to act honestly and in the best interest of the centre. The Board of Directors also has a fiduciary responsibility to manage the finances and to ensure the financial viability of the corporation.

In essence **good governance** starts with the whole Board of Directors understanding their legal responsibility to manage the business affairs of the organization which include:

- Strategic planning and direction
- Legal requirements and accountability
- Financial Responsibility
- Human Resources
- Empowering professional staff
- Monitoring, Auditing, and Evaluating
- Marketing and Fundraising

- Community Relations

The importance of understanding **governance** provides the Board of Directors a framework from which to work, being able to strengthen their leadership and to respond effectively to the professional staff, the families, and to changes which affect the organization.

Ensuring new Board members have training and an orientation to assist them in understanding **good governance** along with their legal roles, responsibilities, and liabilities is critical to your child care organization. Providing Board training, resources, and support is one of the many special things we do, for more information please visit our website at www.tjsolutions.ca

Joy & Terri

Joy Lerman & Terri Carr have worked as facilitator/trainers all over southern Ontario providing solutions in managing your child care organizations. Their interactive style provides workshops that are creative, dynamic, and energetic. They always make sure you walk away with tools you can actually use in the workplace.

The information contained in this handout is intended as a general guide only and organizations must create their own policies. It is not intended to replace professional legal advice. If legal advice is required for a specific issue or situation, organizations should contact a lawyer. Please be advised that TJ Solutions does not give legal advice.