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| Board of Directors Handbook |
| 2022-2023 |
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| **Updated:** |
| **Updated February 2022** |

Philosophy

The Family Place is a non-profit organization, run by a Board of Directors. It consists of two child care centres; one based in Bishop Reding High School in Milton and the second in Heritage Glen Public School in Oakville. We have been supporting families in Halton for over 39 years.

Mission Statement

*“Committed to the provision of childcare for children, from infancy through to ten years of age, in a supportive, child-centre environment, where discovery and challenge lead to learning and well-being.”*

Stakeholders

Board members

Employees

Clients (families and children in our care)

Community

Halton District School Board

Halton Catholic District School Board

Halton Region (Purchase of Service Agreement)

Ministry of Education (CCEYA)

Quality First

Halton Board of Health

Milton Centre

* **Total capacity: 64 children, 3 months to 4 years**
* **Infant Room**: 3 months to 18 months
	+ 10 children (1:3 ratio)
	+ 5 staff
* **Toddler Room A & B:** 18 months to 2.5 years
	+ 30 children (1:5 ratio)
	+ 15 children in each classroom
	+ 4 staff each classroom
* **Preschool Room**: 2.5 years to 4 years
	+ 24 children (1:8 ratio)
	+ 4 staff

Oakville Centre

* **Total capacity: 158 children, 18 months to 10 years**
* **Toddler Room:** 18 months to 2.5 years

-Capacity: 15 children (1:5 ratio)

- Currently closed due to low enrollment

* **Preschool Room:** 2.5 years to 4 years

-Capacity: 16 children (1:8 ratio)

-2 staff and 2 staff from school age to support middle day

* **JK/SK Room:** 4 years to 6 years (Before/After Care)

-Capacity: 52 children, 2 rooms (1:13 ratio)

- Currently - 1 staff - low enrollment

* **School-Age Rooms**: Up to 10 years (Before/After Care)

Capacity: 75 children total, 3 rooms, (1:15 ratio)

* + Currently SACC B(Grades 2-3) - 1 room, 1 staff
	+ Currently SACC C (Grades 4-5) – 1 room, 2 staff

Licensing Bodies

Child Care and Early Years Act (CCEYA), Ministry of Education

Public Health, Halton Region

Quality First, Halton Region

Child Care and Early Years Act (CCEYA)

CCEYA falls under the Ministry of Education. Program Advisor licenses annually.

This is our main licensing body. 80% of our policies and procedures are requirements of our license. These policies and procedures affect Staffing and Programming.

There are requirements on the capacity of children in each classroom, the age group within the classrooms, the staff:child ratio and the qualifications of staff.

The CCEYA trumps all other licensing bodies.

Public Health

We are licensed bi-annually. One visit is evaluating the kitchen and food preparation, while the other visit evaluates health and safety measures (sanitary procedures).

Public Health also requires specific policies and procedures that follow their guidelines. The CCEYA and Board of Health support each other with their policies and procedures.

Quality First

Quality First supports licensed child care programs by providing coaching and consultation by a Quality First Consultant, ongoing Professional Learning, self-reflection activities, and targeted support from a consultant to reach your established goals.

Funding

Child Care Services Management Agreement

Child Care Fee Subsidy

General Operating Grant

Pay Equity

Wage Enhancement Grant

Child Care Services Management Agreement

Halton Region provides funding to licensed child care operators to support a stable child care system. Licensed child care centres are eligible for funding for children’s early learning and development programs, including equity in access to quality child care for families who have children with special needs or other services related to the needs of children.

Child Care Fee Subsidy

Children's Services sets the fees using Market rates. These rates were set 38 years ago, with a 2% increase each year. Our rates are lower than centres who opened after ours. Some families pay a portion of the fee, while others pay zero. We receive the payment a month late therefore when looking at the Budget, always remember that the total amount of fees posted monthly is actually not a true statement. The difference between the Region Market rate and our market rate lends to a loss of $20000.00 - $40000.00 in revenue per year, depending on the number of subsidized clients in each centre.

General Operating Grant (GOG)

This grant is strictly used to improve salaries and benefits for staff. -We must use 90% of the grant for staff wages and benefits. We receive $ 229778.04 annually. We can only receive this grant if we have a Child Care Services Management Agreement (subsidized clients).

Pay Equity

We receive Pay Equity of $ 26448.00 annually. This amount never changes. We must increase staff’s pay by a minimum of 1% annually.

Wage Enhancement Grant (WEG)

This funding is to increase the staff who work with the children by $2.00 per hour.

They get paid for statutory holidays and two weeks of vacation, they do not get paid for sick days. This funding comes in and goes out. Any funding not used for staff wages under their requirements, will be recovered by the Region.

Competitive Wages

We continue to support our staff wages, as quality educators are the key to quality child care.

Registered Early Childhood Educators are going to the school boards where they can make a significant wage. We cannot match this salary, so we offer a competitive salary within the child care sector along with many perks. These perks are medical/dental benefits, 6 sick days a year, lieu time for overtime and daily planning time, paid RECE memberships, first-aid and 4 hours PD, along with a good name in the child care field for respect, equity and diversity in our workplace.

The Executive

* Past President
* President
* Vice President
* Treasurer
* Secretary

Board of Directors Job Description

Board Duties

Primary duty is to the organization as a whole

-Duty to the organizations mission statement

-Duty to all the stakeholders (listed above)

-Setting, reviewing and approving Strategic Plans

**Participate -** Attend 5 Board meetings annually and participate in at least one Committee

**Support -** Organization, Executive Director, Supervisors, Staff and Families, all stakeholders

**Evaluate -** Budget, Strategic Plan and Policies

###

Board Requirements:

* Current Criminal Reference Check within 3 months of joining the Board of Directors
* A Non-Interaction with Children Form (CCLS)
* Sign Confidentiality Policy
* Sign off on all policies
* Read Board Handbook and By-laws
* Full address for Ministry of Education

Board Code of Conduct

* Integrity.
* Objectivity.
* Professional competence.
* Confidentiality.
* Professional behavior.
* Follow Legal Framework

Google Drive and Website

By-laws, Mission Statement, Board Handbook and policies can be found on **Google Drive**.

**Website** - [www.thefamilyplacechildcare.com](http://www.thefamilyplacechildcare.com)

**Allison McLean - Board President**

familyplace.bod@gmail.com

**Sandra Vieira - Executive Director**

sandravieira@thefamilyplacechildcare.com

### **Past President**

**The Past President shall:**

* Chair the Governance Committee
* prepare the ballots for sending to the membership
* present elected officers and directors at the Annual General Meeting
* With input from the Board of Directors and the Governance Committee, conduct the Executive Director’s annual performance review
* participate on any committee at the request of the President

### **President**

**The President shall:**

* be the Chairperson at all Board Meetings, attending all meetings
* in the event of a deadlock vote of the Board of Directors, the President’s vote shall be determinative
* be an ex officio member of all or any committees created by the Board of Directors where the Past President or Vice-President are not present, receiving minutes and reports from all
* set dates for Board meetings
* set agenda for Board meetings
* establish and guide long-range planning for the organization
* represent the organization externally at regional meetings where the Executive Director is not available
* respond in writing to parent/member concerns brought before the Board
* in partnership with the Vice-President, meet with each Board member individually to review their progress and future development
* be a signing officer of the corporation
* develop program and administrative policies in conjunction with the Executive Director
* provide a general report at each Board meeting
* perform the duties of the Past President if no Past President remains

### **Vice-President**

**The Vice-President shall:**

* in the absence of the President, perform the duties and exercise the powers of the President
* be a signing officer of the corporation
* have overall responsibility for the Governance committee by chairing or appointing a Chair and
* attending all committee meetings
* in conjunction with the Executive Director, ensure that the legal requirements of the corporation are kept accurate and up to date, including all corporate books and filings with the appropriate agencies as required
* reviews all minutes of committee meetings
* ensures that all committee chairs submit their respective Committee Planning Guide and committee risk management documents on time
* in partnership with the President, ensures that board members meet their minimum requirements
* reviews board evaluations completed by board members and provides a report to the President
* in partnership with the President, meet with each board member individually to review their progress and future development

### **Treasurer**

**The Treasurer shall:**

* review the financial statements and ensure the full and accurate account of all assets, liabilities, receipts, and disbursements of the corporation are kept in the books belonging to the corporation
* ensure that all monies, securities, and other valuable effects are deposited in the name and to the credit of the corporation at such charter bank or trust company as may be designated by the Board of Directors from time to time
* chair the Finance Committee
* set dates for the Finance Committee meetings at least quarterly throughout the year
* report to the Board on behalf of the Finance Committee
* keep accurate minutes of these meetings and forward copies to the President
* take final responsibility of the preparation of the annual budget in conjunction with the Executive Director
* participate in long-range financial planning for the organization
* be a signing officer of the corporation
* attend all board meetings
* present Annual Budget to the Board of Directors
* present Annual Financial report to the members at the Annual General Meeting
* in the absence of a Treasurer, the Executive Director shall provide reporting to the Board until such time that a Treasurer is recruited and voted in

**Secretary**

**The Secretary shall:**

* attend all Board meetings
* take minutes or appoint designate to do so at all Board meetings and Annual General Meeting
* ensure that all members sign the Declaration of Confidentiality, and present a Criminal reference check as required
* keep the minute book up to date in accordance with legal requirements
* distribute the minutes and agenda 7 days before the Board meetings
* be a signing officer of the corporation
* ensure membership list is accurate

### **Director(s) at Large**

**All Directors shall:**

* determine The Family Place mission and purpose, reviewing these on an annual basis
* ensure effective organizational planning, including general and active management of the policies of The Family Place
* ensure adequate resources\*
* enhance The Family Place’s public image
* serve as a court of appeal
* assess the Board’s performance
* sign a Confidentiality Agreement and ensure that confidentiality is maintained
* ensure adequate and appropriate Director’s insurance is in place
* plan for a successor upon leaving the Board
* attend all Board meetings
* participate in the long-range planning for the organization
* sit on at least one committee
* select and support the Executive Director
* one of the Directors at Large shall Chair the Fundraising Committee, reporting to the Treasurer
* one of the Directors at Large shall Chair the Public Relations Committee

*\*This point requires some clarification. Ensuring financial resources involves more than simply making sure that the right amount appears in the budget. For most child care programs, this responsibility includes being actively involved in fundraising efforts. Fund raising should not be handed over to staff.”*

### **Committee Duties**

Although the Board works as a whole in the final decision process, certain committees and sub-groups may be necessary to get the legwork done before the actual meeting. Each Board member is expected to participate in at least one committee, with the President ex-officio to all.

Each committee is expected to meet at least semi-annually, however, it is the planned activities of each committee that will drive the meetings. This is to ensure there is a focus on key initiatives that bring value to the organization.

An agenda is to be established and shared with the committee members prior to each meeting, and minutes of each meeting are to be distributed to the committee members, and reported back to the Board at the next regular Board meeting.

Each committee or Chair of a committee will be asked, along with the Executive, to give their report at each Board meeting. This report will be the summarization of the inquiries and efforts made on the Board’s behalf. A committee may not make a final decision, but provides documentation and information with their recommendations to the Board. By providing background information to the Board, recommendations may be dealt with more expediently. Each committee should be prepared to discuss their findings and support their recommendations at the actual Board meeting.

**Reports**

The following are officers of the Board and as such will be expected to have a report at each Board meeting:

* President (President’s report)
* Treasurer (Finance)
* Secretary (correspondence, minutes, documentation requirements)
* Executive Director
* Committee Chairs

These reports will be permanent items on the agenda. Reports should be presented at the meetings.

Terms of Reference

### **Finance Committee**

##### **Mandate**

The Finance Committee, under the leadership of the Treasurer, direction of the Board of Directors, and in conjunction with the Executive Director, will develop and ensure the implementation of financial policies and procedures in accordance with Legislation and generally accepted accounting practices, with a long term strategic view for the organization.

Each Board Member is responsible for the centre’s finances. The Board Treasurer holds the chief responsibility among Board members for ensuring that financial controls are maintained, but all members should be aware of the centre’s financial health. Consequently, in this section, the following items are covered:

#### ***Committee Responsibilities***

1. to complete an annual Committee Planning Guide before the beginning of the new Board year that outlines specific Committee goals and initiatives for the year
2. to develop, review, and revise Financial Policies
3. to develop, review, and revise accurate, timely, and relevant financial reports for the Board of Directors
4. in conjunction with the Human Resources Committee, review and make recommendations for salary increases.
5. to meet as needed and report to the Board of Directors
6. develop, review, and revise short- and long-term strategic planning for the organization

#### ***Chair Responsibilities***

*See Board of Directors Job Descriptions, Treasurer*

### **Governance Committee**

#### **Mandate**

The Governance Committee, under the leadership of the Past President, direction of the President, and in conjunction with the Executive Director, will develop and ensure the implementation of personnel policies and procedures in accordance with government legislation. The committee will additionally evaluate the performance of the Executive Director, manage the election process for the Annual General Meeting, and ensure Board continuity through on-going recruitment and assessment.

#### ***Committee Responsibilities***

1. to complete an annual Committee Planning Guide before the beginning of the new Board year that outlines specific Committee goals and initiatives for the year
2. to develop, review, and revise Human Resource Policies
3. to develop, review, and revise job descriptions
4. to develop Performance Report and Development Plan format
5. to provide support/consultation to the Executive Director in implementation and decision making in regard to Human Resource policies
6. to meet as needed and report to the Board of Directors
7. to work in conjunction with the Finance Committee around salary issues
8. to provide recommendations for the Executive Director’s performance review
9. to develop and manage a recruitment and orientation process for new Members
10. to develop and manage a process to continually improve the Board through assessment, education and recruitment
11. to periodically review the Board Manual for consistency and accuracy

#### ***Committee Chair Responsibilities***

1. to call a planning meeting in June
2. to call committee meetings at least quarterly
3. to ensure Committee Responsibilities are fulfilled
4. to report to the President on Committee recommendations
5. to attend at least one staff meeting per year in each centre and provide a report to the President
6. to provide conflict resolution when required following the centre’s policy P21
7. to provide a formal report to the Board of Directors at each meeting
8. to present recommendations to the Board for the Executive Director’s performance review
9. to set and monitor the AGM Timeline for the new Board
10. to monitor the review process to ensure all policies are reviewed every five years

### **Fundraising Committee**

#### **Mandate**

The Governance Committee, under the direction of the President, and in conjunction with the Executive Director, will develop and execute Fundraising activities to raise funds to purchase items to be used directly in the classrooms, and to support any special initiatives which require additional funding.

#### ***Committee Responsibilities***

1. to complete an annual Committee Planning Guide before the beginning of the new Board year that outlines specific Committee goals and initiatives for the year
2. to develop, assess, and propose fundraising activities for the year
3. to present the activities to the Board for approval
4. to track funds raised and report back to the Board for each event upon the completion of that event
5. to solicit feedback from Parents regarding fundraising events
6. to communicate with Parents on at least a bi-annual basis regarding, in conjunction with the Public Relations Committee if needed:
	* events planned for the coming year
	* funds raised to date
	* how the funds were utilized

#### ***Chair Responsibilities***

1. to call a planning meeting in June
2. to call committee meetings at least quarterly
3. to ensure Committee Responsibilities are fulfilled
4. to provide a formal report to the Board of Directors at each meeting

**Public Relations Committee**

**Mandate**

The Public Relations Committee, under the direction of the Board of Directors, and in conjunction with the Executive Director, will maintain a positive image of the Family Place within the community by planning for and monitoring public relations and publicity activities as well as managing and maintaining the website to meet parent, staff, Board, and public needs; to support centre staff with their website needs.

***Committee Responsibilities***

1. to complete an annual Committee Planning Guide before the beginning of the new Board year that outlines specific Committee goals and initiatives for the year
2. to assist the Executive Director and/or Board by helping them plan a year-round public relations program
3. to work closely with the Executive Director and/or Board to plan all publicity and promotion in support of the organization
4. to assist the Executive Director and/or board to plan and develop marketing efforts that support the organization’s services and programs
5. to update information on the website on an ongoing basis to keep parents and the public informed in a timely matter
6. to develop guidelines and policies for the Family Place’s web presence including privacy, information security, and style guidelines
7. to examine methods for the most effective use of web tools focusing on user satisfaction.

#### **Chair Responsibilities**

1. to call a planning meeting in June
2. to call committee meetings at least quarterly
3. to ensure Committee Responsibilities are fulfilled
4. to provide a formal report to the Board of Directors at each meeting

Legal Framework

Joining a Board of Directors brings with it certain legal obligations of which every Board member should be aware. This section covers the duties of the Board Member with respect to the legal framework of non-profit Boards. These duties should include:

* understanding the By-Laws
* reviewing the Mission Statement
* exercising proper care
* ensuring organization policies and procedures comply with the CCEYA and other Ministry of Education legislation

By-Laws are included in this manual. It is important that you are aware of their contents. The By-Laws are the rules by which this particular Board must operate. Amendments can be made by Special Resolution.

The duty to exercise appropriate care involves the need for honesty, loyalty, good faith, diligence, prudence, and skill. Of course, this does not provide much of an answer to any particular Director in any particular situation. To avoid liability, therefore, every Board Member should:

* avoid any situation or conflict of interest (real or apparent) between the Board Member and the charity
* avoid any situation where the Board Member receives any personal gain (directly or indirectly)
* avoid any ultra vires act (i.e., any act outside the legal framework of the organization)
* avoid making any decisions without following proper procedure
* take care in investigating and monitoring the affairs of the centre
* make an honest attempt when making decisions to further the best interests of the centre

In addition to exercising appropriate care, The Family Place has Directors and Officers Insurance in place. In many ways, Directors and Officers Insurance is like malpractice insurance for the Board. A Directors and Officers liability insurance policy provides indemnification (including reimbursement of legal costs) either directly to the Officer or to the centre itself, depending on who paid the costs.

DUTIES, RESPONSIBILITIES AND POWERS OF DIRECTORS AND TRUSTEES OF CHARITIES

#### ***"DIRECTORS", "TRUSTEES", AND "CHARITABLE FIDUCIARIES"***

Directors manage charitable corporations. Trustees manage unincorporated charities and trusts. Directors and trustees have full responsibility for the administration and management of charities and must always ensure compliance with all laws.

Directors and trustees are expected to be actively involved in the charity's decision-making process. They should be selected on the basis of their experience, skills and knowledge. They will be ensuring that the charity operates effectively and within the law.

Directors and trustees are sometimes referred to as charitable fiduciaries.

#### ***NUMBER OF DIRECTORS REQUIRED***

#### The number of directors or trustees should always be the number of people required for efficient management of the charity. The [Corporations Act](http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90c38_e.htm)requires that an incorporated charity have a minimum of three directors and in some cases it may be appropriate to have more.

#### ***DUTIES OF A DIRECTOR OR TRUSTEE***

#### ***Duties on Appointment as a Director or Trustee***

A new director or trustee should know the purposes of the charity. These will be found in the Letters Patent if the charity is a corporation or in the document which creates the trust (the constitution for an unincorporated association or the trust deed for a trust). New directors or trustees should be familiar with the general requirements of charities law and if the charity is a corporation, of the [Corporations Act](http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90c38_e.htm).

The director or trustee should review the past administration of the charity. They have a duty to investigate any suspicious circumstances which suggest the charity's property has not been properly used. Action should be taken to correct any problems.

#### ***Duty to be Reasonable, Prudent and Judicious***

Directors and trustees must handle the charity's property with the care, skill and diligence that a prudent person would use. They must treat the charity's property the way a careful person would treat their own property. They must always protect the charity's property from undue risk of loss and must ensure that no excessive administrative expenses are incurred.

#### ***Duty to Carry Out the Charitable Purposes***

The charity's property can only be used for purposes of the charity. It cannot be used for any other purpose.

Charities may have more than one purpose. If a charity is incorporated the purposes are found in the corporation's Letters Patent. If the charity is not incorporated, they will be found in the document which creates the trust. If property is improperly used, directors or trustees may be required by a court to repay the money.

Some charities have funds or property that are supposed to be used for one specific purpose. The directors or trustees must make sure that the property is used for that purpose.

#### ***Duty to Avoid Conflict-of-Interest Situations***

Directors and trustees should avoid conflicts of interest. A conflict of interest arises when a director or trustee has a personal interest in the result of a decision made by the charity.

Directors and trustees must always consider the interests of the charity and not allow their personal interests or preferences to affect their conduct and decisions.

Directors and trustees must also avoid the **appearance** of conflict of interest. Certain investments, such as loans to donors, directors or trustees of the charity, or to companies in which they have shares can be a breach of the duty of a director or trustee. Even if these investments are made at market rates, there may be an appearance of conflict of interest.

If the directors or trustees have any discretion in choosing the people who benefit from the charity, they must use this power with complete fairness. The choices must be fair and must also appear to be fair.

To avoid the appearance of conflict of interest, in general, a director or trustee should not transact business with the charity or accept any personal benefit from the charity. Authority to transact business with, or to be a client of, the charity can be given by Court Order. It may also be given in any regulations made under section 5.1 of the [Charities Accounting Act](http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90c10_e.htm).

#### ***Duty to Act Gratuitously***

Generally a charity cannot pay a director to act in the capacity of a director. Also, a director cannot be paid for services provided in any other capacity unless permitted by a court order. In appropriate circumstances, payment for services other than as a director may be allowed by Court Order or by an Order made under section 13 of the [Charities Accounting Act](http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90c10_e.htm) where it is in the charity's best interest to do so.

A trustee also cannot be paid for services in any capacity unless approved in advance either by the court or by an order made under section 13 of the [Charities Accounting Act](http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90c10_e.htm). A trustee may also be paid when authorized by the document which creates the trust. The document that creates the trust can also prohibit or restrict payment to trustees. A charity can reimburse a director or trustee for reasonable expenses.

#### ***Duty to Account***

Directors and trustees are responsible for the charity's property. They must make sure that proper accounts are maintained and that invoices supporting the accounts are kept.

The Public Guardian and Trustee may ask a charity to file its financial statements with the Office of the Public Guardian and Trustee. A charity incorporated under the Ontario [Corporations Act](http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90c38_e.htm) is required to prepare annual audited financial statements unless the annual income of the charity is less than $100,000 and all of the members consent each year to the exemption. These financial statements should detail the capital, assets, income, expenditures or disbursements and investments. Explanatory notes should show any conflicts-of-interest, non-arm's-length transactions or payments to directors in any capacity whatsoever. If any property is given to a charity for a special purpose, that should also be recorded in the financial statements. In certain cases, it may be necessary to include explanatory notes showing how the charitable activities were carried out.

The Public Guardian and Trustee may also request information about the management of a charity. Any charity can be compelled by the Public Guardian and Trustee to pass its accounts. This is a court process where the accounts are reviewed by a judge of the Superior Court of Justice. A charity will be asked to pass its accounts where there are serious concerns about the administration of the charity. Charitable trusts often pass their accounts voluntarily on a periodic basis.

#### ***Duty to Manage the Charity's Assets***

The directors and trustees are responsible for the management of the charity's funds and assets. They should not delegate this responsibility to employees or financial consultants, although they may rely on the advice and assistance of such people if it is prudent to do so. Directors or trustees may use the management services of accountants, stockbrokers, and other financial consultants if the capital is substantial. They may pay for these services as part of the administrative expenses of the charity. Whatever form the financial service arrangements take the directors must, at all times, retain general control over the funds.

Directors and trustees must act in person and make all major decisions concerning the charity. They can delegate the day-to-day management of the charity to employees but they remain responsible and must maintain proper supervision and control over the work of the employees.

#### ***Duties in Connection with Specific Powers***

##### Power to Invest

For trusts and other unincorporated charities the power to invest may be set out in the documents which create the charity. If no power to invest is stated, the trustees must follow the requirements set out in the [Trustee Act](http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90t23_e.htm).

The power of a charitable corporation to invest is usually set out in the Letters Patent of the corporation. If no power to invest is specified in the Letters Patent the charity must invest as set out in the [Trustee Act](http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90t23_e.htm). Directors of a charity have a duty to invest funds not immediately needed to carry out the charity's purposes.

##### Factors to Consider when Investing

The [Trustee Act](http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90t23_e.htm) provides a useful guide as to the factors a director or trustee should consider when investing in a charity's property. There are seven criteria that directors and trustees should consider in addition to any others that are relevant to the circumstances. The seven criteria are:

* + 1. General economic conditions.
		2. The possible effects of inflation or deflation.
		3. The tax consequences of the investment decisions or strategies.
		4. The role each investment or course of action plays within the charity's overall portfolio.
		5. The expected total return from income and growth of capital.
		6. Needs of the charity for liquidity, regularity of income and preservation or appreciation of capital.
		7. An asset's special relationship or special value, if any, to the purposes of the charity.

(See also the Public Guardian and Trustee’s bulletins, ‘Investments by Directors and Trustees of Charities’, and with respect to combining special purpose funds for investment purposes, ‘Liability Insurance and Special Purpose Trust Funds’).

##### **Power to Own and Lease Realty**

Under the [Charities Accounting Act](http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90c10_e.htm), a charity that holds real or personal property is required to use the property for its charitable purposes. Charities may now hold land for the purposes of leasing it or as an investment, provided the charity (a) is not prohibited from holding or leasing land by the terms of its investment powers; (b) uses the revenue generated for its charitable purposes; and (c) the investment is otherwise prudent given the particular investment powers of the charity.

Office of the Public Guardian and Trustee
Charitable Property Program
595 Bay Street, Suite 800
Toronto, ON M5G 2M6

Tel: (416) 326-1963 or in Ontario toll free at 1-800-366-0335
Internet: [www.attorneygeneral.jus.gov.on.ca/english/family/pgt](http://www.attorneygeneral.jus.gov.on.ca/english/family/pgt)