

### **Duty of Care**

Board members must exercise due care in all dealings with the organization and its interests. Directors should be reasonably **informed** about the organization's activities, **participate** in collective decisions, and do so in good faith and with the care of an ordinary prudent person in similar circumstances. This includes careful oversight of financial matters and reading of minutes, attention to issues that are of concern to the organization and raising questions whenever there is something that seems unclear or questionable.

The duty of care is carried out by the following acts:

- Attendance at meetings of the Board and appropriate committees
- Advance preparation for board meetings, such as submitting timely reports and reviewing submissions of others, including the agenda, prior to meetings of the Board.
- Obtaining information (in the context of the Board meeting) before voting, to make good decisions.
- Use of independent judgment
- Periodic examination of the credentials and performance of those who serve the organization
- Frequent review of the organization's finances and financial policies
- Compliance with filing requirements, particular annual information returns.

Taken from the "Club Leadership Development Notebook" – BoardSource