

Little League Alberta

Catch the Future – Come See Our Pitch

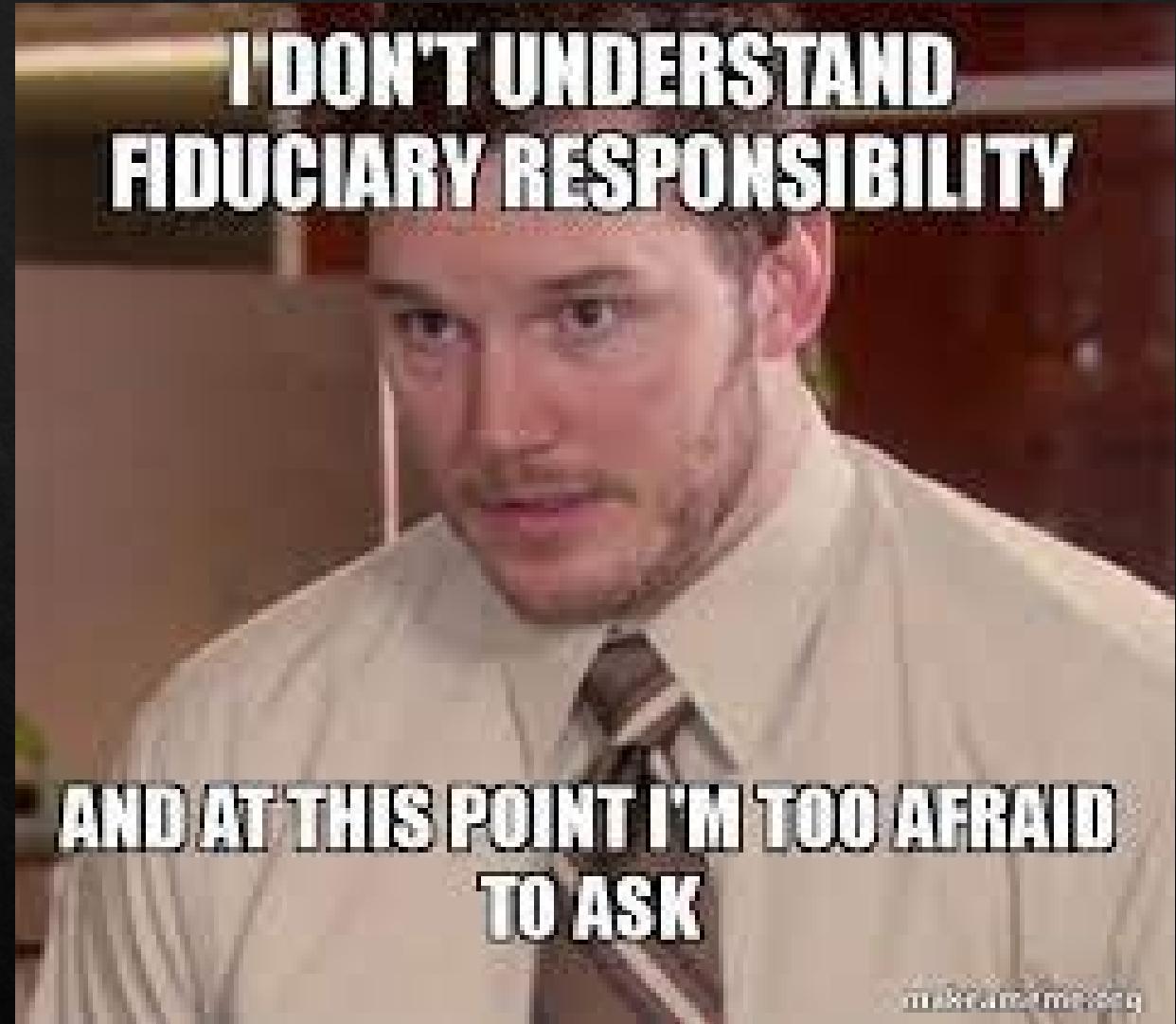


YOUR FIDUCIARY DUTY

Roles & Responsibilities

For Non-Profit Organizations

# FIDUCIARY EFFECT



# WHAT IS FIDUCIARY

FIDUCIARY:

TO HOLD IN TRUST OR IN GOOD FAITH

CARING FOR AND BEING LOYAL TO LLA AND  
PROVIDING SOUND JUDGMENT GUIDED BY  
INTEGRITY, OBSERVATION, EXPERIENCE, INSIGHT  
AND POLICY

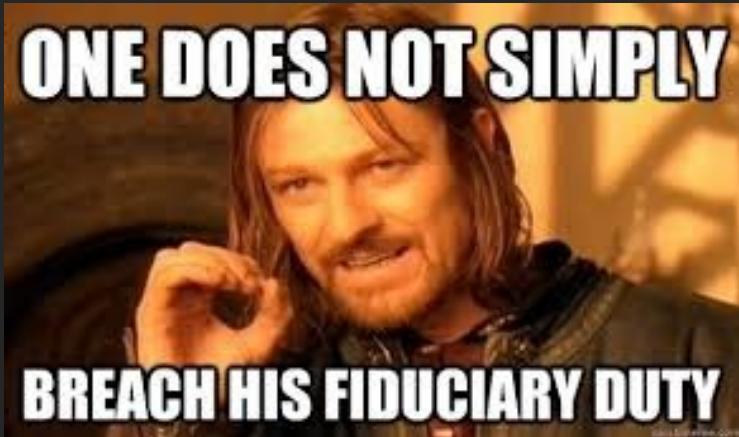


# FIDUCIARY RESPONSIBILITIES

Fiduciary Responsibilities are important because they provide the following:

- ✓ Protection of LLA's assets from misuse of power
- ✓ Prevent conflicts of interest
- ✓ Provide greater transparency and accountability

Promote a higher level of professionalism from the organization's leaders



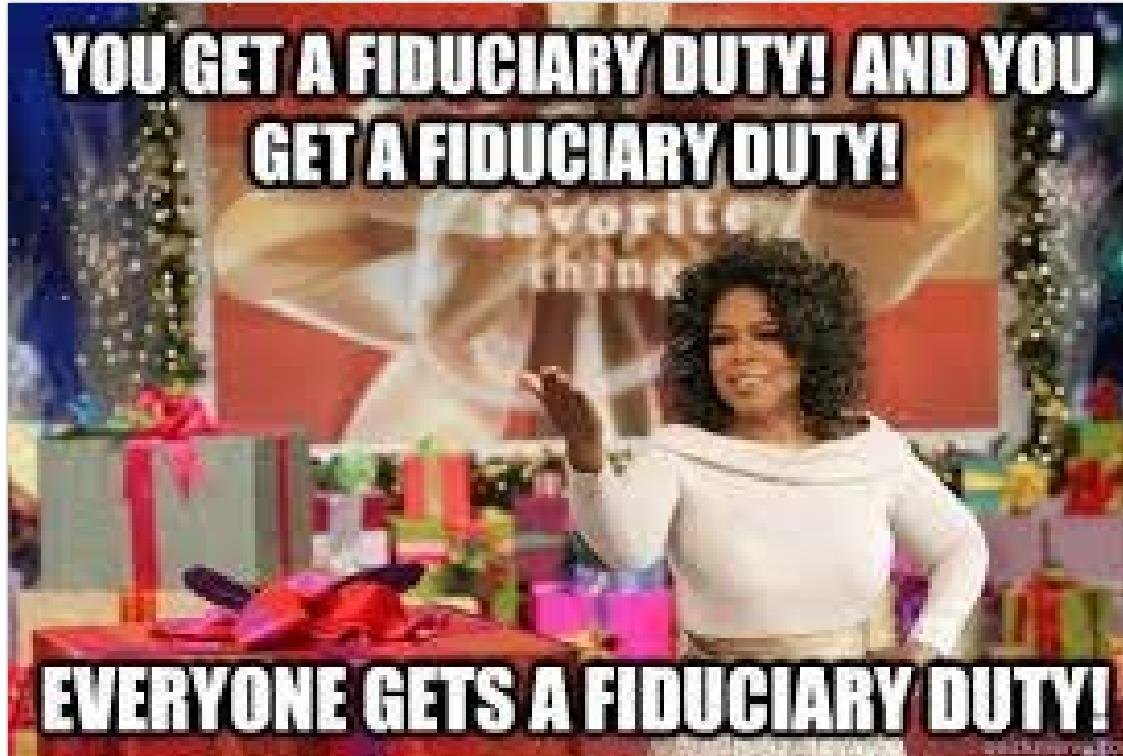
# GOOD GOVERNANCE & ETHICAL BEHAVIOUR

Board of Directors who diligently perform their fiduciary duties responsibly protect the organization's reputation – a central tenant of good governance

# WHAT ARE THE PRIMARY FIDUCIARY DUTIES?

Each Duty has a specific meaning and context, and fall into one of the following six categories:

- Duty of Care
- Duty of Loyalty
- Duty of Obedience
- Duty of Confidentiality
- Duty of Prudence
- Duty to Disclosre



# DUTY OF CARE

- ❖ Duty of Care means that the Board of Directors must give the same care and concern to their Board responsibilities as any prudent and ordinary person would manage their own personal matters
- ❖ Participating actively in Board Meetings
- ❖ Serving on at least one Committee
- ❖ Working to advance LLA's mission and goals
- ❖ Practicing oversight of programs and activities
- ❖ Choosing a qualified CEO
- ❖ Monitoring the Budget and Financial Reports
- ❖ Engaging in strategic and goal setting



# DUTY OF LOYALTY



Duty of loyalty means that Board of Directors must place the interests of LLA ahead of their own interests at all times. Board members are required to publicly disclose any conflicts of interest and not use Board service as a means for personal or commercial gain.

# DUTY OF OBEDIENCE



**Duty of obedience means that Board of Directors MUST make sure that LLA is abiding by all applicable laws and regulations and doesn't engage in illegal or unauthorized activities. The duty of obedience also means that the Board of Directors must carry out LLA's mission in conjunction with the purpose stated in their by-laws and governance documents.**

I'd love to tell  
you all about it,  
but there's this  
little thing called  
confidentiality.



someecards  
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# DUTY OF CONFIDENTIALITY

- ❖ Duty of confidentiality means Board of Directors must keep certain types of information confidential. They must not use the information they see and hear in the scope of their position for personal gain

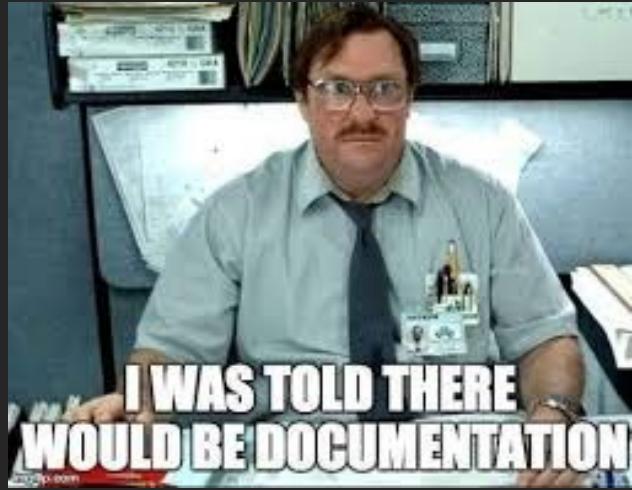


*"I should warn you, the following slides contain figures some viewers may find distressing."*

# DUTY OF PRUDENCE

Duty of prudence refers to being aware of risks and exercising caution in decision-making. Board members are expected to handle matters with a high degree of professionalism and be accountable approving expenditures wisely

# DUTY TO DISCLOSE

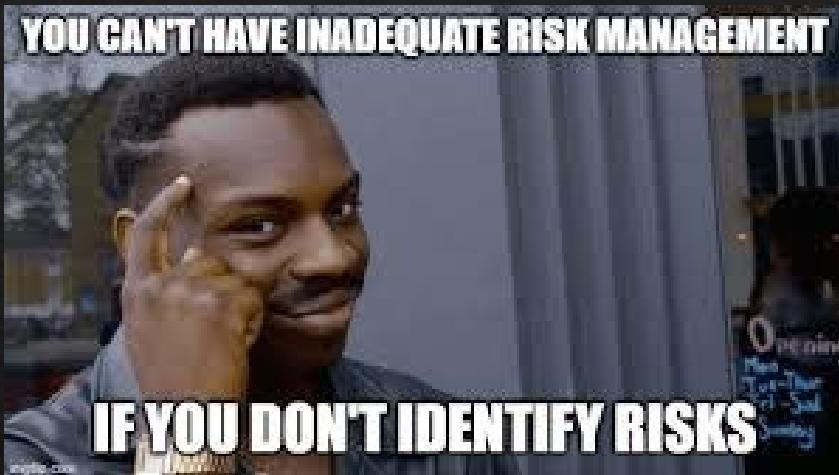


Duty to disclose requires Board Members to be forthright in their speech and behaviour. If they have information that would influence their decisions or impact the decisions of other Board Members, they have a duty to make that information known

# RISK MANAGEMENT



# ASSESS RISK



- Identify risks across the entire enterprise
- Assess the impact of risks on the operations and mission
- Develop and practice responses or mitigation plans
- Scan for emerging risks

# FIVE STEP GUIDE FOR BOARDS

Track Indicators of Financial Health

Consult on all potential options for transforming business mode

Examine governance structures/policies to ensure they can meet needs

Focus on developing response strategies

Manage assets to meet LLA needs at all levels

## FOR BOARD CONSIDERATION:

Identify Key Performance Indicators

Board/Leadership understand competitive pressures on business model

Periodic environmental scans – competition, business risks, alternative options

Track Impact of Technology



Presented 2024 11 23

# Q & A