

Getting on Board

Becoming a Credit Union Director



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Learn More about Being a Director

Who are Credit Union Directors?

The directors of a Credit Union reflect the community they serve. It is important for a Credit Union to have a strong board consisting of a diverse group of people. Directors come from all walks of life...teachers, trades people, homemakers, farmers, nurses and business people — just to name a few! If you believe financial institutions best serve the people who own them and the communities in which they live—unlike the big banks—you can make a real contribution; you can help your community prosper.



How do Directors Make a Difference?

As policy makers, directors are instrumental in effecting positive changes which ensure growth and development for their Credit Union and community. Directors often provide a fresh look from a different perspective, assisting a credit union in being responsive to member needs and leading to technological innovation and new services

How Much Time is Required?

Time commitment can vary, but is typically limited to six to seven board meetings, one planning session, and eight to ten committee meetings annually. At LECU, we use technology to make it easier for busy professionals to attend Board and Committee meetings. We would be happy to arrange a discussion with a current board member from your Credit Union to discuss this further.



What Would be Expected of Me?

As a director, you are the Credit Union's link to the membership, to whom the Credit Union is accountable for all policies and decisions. The other major role of a director is to ensure sound management of the Credit Union and to safeguard the members' assets. Directors attend board meetings, committee meetings, special planning sessions, as well as complete any required director training.

What are My Obligations as a Director?

- A director has a duty to see that everything LECU does is within the law.
- Directors make decisions on the policies of the Credit Union. They evaluate risk and accept liability, if they are responsible for violation of provincial guidelines.
- Directors can reduce or eliminate their liability if they direct the affairs of the Credit Union with honesty and reason, to the best of their abilities.



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Benefits of Board Service

Individual Benefits

- Excellent professional development opportunities
- Personally contribute to enhancing your community's own financial institution
- Enhance your teamwork skills
- Local, regional, national and international networking opportunities
- Use of technology and flexible meeting arrangements to accommodate your busy schedule
- Directors receive an annual remuneration of \$2,400, plus \$75 per meeting to a maximum of \$600
- Reimbursement for board related expenses; no cost to individual
- Insurance coverage to protect against personal liabilities

Director Training

New directors want a better understanding of their role and of the business for which they are accountable. Experienced directors want to be in the know about current governance issues and trends. Both groups are in constant search for ways of strengthening their corporate governance practices. The highly respected Credit Union Director Achievement (CUDA) Program offered by CUSource® Credit Union Knowledge Network (CUSource) has been designed to meet these needs.

The CUDA Program offers a blend of online and classroom learning environments that, by their nature, provide valuable networking opportunities. The emphasis of the program is understanding the authority, responsibility and accountability of directors. It also focuses on a broad range of topics from financial reporting, financial statements and performance planning

This program strengthens the knowledge and skills of directors in credit union governance and in the implementation of sound governance practices. Completion of the CUDA Program attests to a director's commitment and signifies a well-rounded understanding of governance.

The CUDA Program

Level A: Foundations of Governance

The modules, case studies and one-day workshop in Level A provides information on the roles and responsibilities of directors. Topics include: The Credit Union System; Roles and Responsibilities; Legal Basics; Financial Statements; Asset/Liability Management; and Monitoring Credit Union Performance.

Level B: Governance in Action

Gain a greater depth of knowledge on key responsibilities in these four workshops: Accountability and Risk Oversight; Board Development and Performance Evaluation; Management, Recruitment, Performance Planning and Evaluation; Strategy: Planning and Oversight.

Level C: Governance Applications

Delve in key areas of risk—credit and financial performance in two workshops: The Role of the Audit Committee; and Credit: Policy & Monitoring.

Plus, complete any two (2) courses from the Continuing Development section.



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How Do I Become a Director?

Directors Are Elected!

Directors are elected at the Credit Union's Annual General Meeting. A director will hold office for a 3-year term, as prescribed by the charter by-laws of the Credit Union. LECU employs a sunset clause for directorship; directors can serve a maximum of three consecutive three-year terms.

Criteria for Becoming a Director

According to the Credit Union Act of Newfoundland and Labrador, **a person must meet the following criteria** in order to be eligible to become a director of a Credit Union

- Be a citizen of Canada
- Be at least 19 years of age or older
- Be a member of the credit union
- Be eligible according to the by-laws of the Credit Union

Director Eligibility

According to the Credit Union Act, a person is not eligible, if he/she:

- Is an undischarged bankrupt person
- Is an employee of a credit union or the guarantee corporation
- Is not bondable
- Is an auditor, or a member of the auditor's firm, of that of the credit union
- Is a parent, child, grandchild, spouse, brother or sister or in-law of an employee of the credit union, not necessarily living in the same residence of that employee
- Is the solicitor of that credit union
- Is a representative of a bargaining agent for the employees of that credit union
- Is a public employee whose official duties are concerned with the affairs of credit unions

How Do I Find Out More?



To learn more, contact Leading Edge Credit Union!

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Watch [our videos](#) to hear more about this opportunity. Visit www.lecu.ca to find out more about who we are and what we offer.