

# Getting on Board

Becoming a Credit Union Director



LEADING EDGE

# Getting on Board

## Our Vision and Mission

### Vision

At Leading Edge Credit Union, we strive to assist all our members to meet their financial goals by providing advice and services with a focus on the members' best interests.

### Mission

To be the financial institution of choice by providing quality financial products and offering exceptional member value through knowledgeable and professional staff while adhering to the co-operative principles and values.



LECU is a co-operative financial institution. The co-operative principles and values are at the core of our vision, mission and every decision we make.

### Co-operative Principles

- Voluntary and Open Membership
- Democratic Member Control
- Member Economic Participation
- Autonomy and Independence
- Education, Training and Information
- Co-operation Among Co-operatives
- Concern for Community

### Co-operative Values

- Social Responsibility
- Self-Responsibility
- Caring for Others
- Democracy
- Openness
- Solidarity
- Self-Help
- Honesty
- Equality
- Equity

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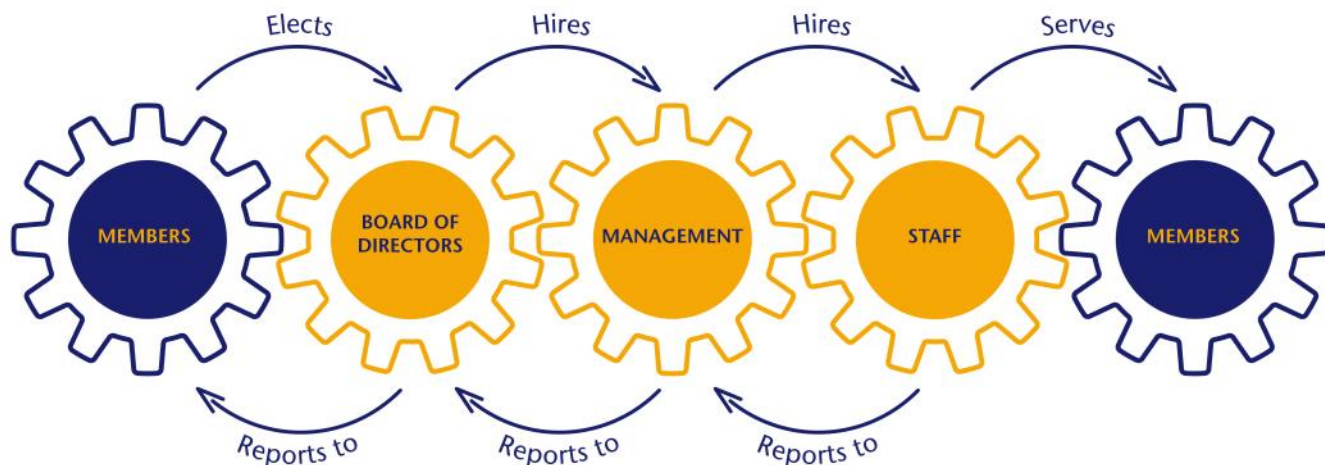
## The Credit Union Difference

### What is a credit union?

Credit unions are full service financial co-operatives. Our members are our owners. Like other financial institutions, credit unions provide chequing accounts, mortgages, business loans and investment advice. Boards of directors, elected by the members, make decisions based on local realities and the needs of members.

Rooted in this co-operative structure, the credit union difference is all about service – to members and our communities.

Credit unions' profits have a higher purpose – to benefit the people they were built to serve. Money left over at the end of the year is returned to members in the form of dividends, and donated to communities in the form of donations, scholarships and other initiatives.



### Our Compelling Selling Proposition

We provide the great banking that our members are seeking, but we offer something more. We offer the opportunity to be part of something bigger; the chance to be more than a customer, to help build our communities, to see fairness, trust, equality and independence brought to life in real and meaningful ways, from the way we do business to the way we treat our members every day. We provide banking that goes further.

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## Learn More about Being a Director

### Who are Credit Union Directors?

The directors of a Credit Union reflect the communities 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 share our belief that financial institutions best serve the people who own them and their communities, then 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 ensures growth and development for their Credit Union and community. Directors often provide a fresh look from a different perspective, which helps their credit union be more responsive to member needs, leading to technological innovation and new services.

### How Much Time is Required?

Time commitment can vary, but is typically limited to six or seven board meetings, one planning session, and four to six 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 an opportunity for you to have a conversation 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

### What's in it for me?

- Excellent professional development opportunities
- Personally contribute to enhancing your community-owned financial institution
- Enhance your teamwork skills
- 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

CUDA® PROGRAM The Credit Union Director Achievement (CUDA) Program delivers the most current thinking about credit union corporate governance. Designed for credit union board directors, this program is a roadmap to the knowledge and skills required to effectively govern co-operative financial businesses.



There are three levels in the CUDA Program:

- Foundations of Governance,
- Governance in Action, and
- Governance Application.

Each level includes courses focused on different aspects of governance specifically related to co-operative deposit-taking financial institutions. Courses are offered as in-class or eClassroom sessions.

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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. There is no limit to the number of terms a director may serve.

### 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 or visit us online at [www.lecu.ca](http://www.lecu.ca).

Cory Munden, CEO  
cmunden@lecu.ca  
(709) 695-7064

Gary J. O'Brien, Board Chair  
gobrienlecu@gmail.com  
(709) 694-1949