

# **Family First Credit Union**

## **Board of Directors Policy**

### **Board Appointed Positions**

**Board approved 12/17/2019**

#### **Associate Director**

##### **Objectives of an Associate Director**

The Associate Director position will provide structure for ensuring potential members of Family First Credit Union Board of Directors receive adequate preparation to perform successfully and contribute significantly to the success of the credit union.

The Associate Director position formalizes the Board's succession planning and enables that the appointees to gain understanding of the Credit Union industry and the operation of Family First Credit Union and its Board of Directors.

A maximum of three Associate Directors may be appointed for three renewable one-year terms at the discretion of the board for each term and for each Associate. Each year, the Nominating Committee will meet in November to review the policy, the Associate search for the next year, and select the Associate Directors to serve. The following schedule will be followed:

Year 1:	Nominate First Associate
Year 2:	Nominate Second Associate
Year 3:	Nominate Third Associate

The Associate Director has the same performance requirements, duties, and responsibilities established for the members of the Family First Credit Union of Directors. Associate Directors will participate on the Board as non-voting members.

##### **Eligibility for appointment of an Associate Director**

To be appointed as an Associate Director (and continue serving), an individual must:

- ✓ Be a Family First Credit Union member in good standing;
- ✓ Display an interest in the Credit Union and a willingness to serve its members through Board activities;
- ✓ Be willing and able to devote the time and effort it takes to serve as an Associate Director, on various committees and in various educational programs; and
- ✓ Demonstrate that he/she is a team player who exercises sound judgment.

### **Appointment of an Associate Director**

The Nominating Committee will select the potential Associate Directors to be approved by the Board of Directors to serve on the board. The nominee will submit a board application for approval (***see Appendix A***). The Board of Directors will accept the application for review and approval. The Associate's serving term will begin and end during the annual meeting held in January for voting on board officers.

Associate Directors will be given the opportunity to evaluate what Family First Credit Union Board entails before they make a full and final commitment to the Board and to show first-hand that they are qualified to perform in the expected capacity. To accomplish this, Associate Directors will be provided with materials to review; study and understand the credit union business.

There is no guarantee that an Associate Director will eventually become a regular Board Member. Associate Directors will, however, be eligible to serve as regular Board Members when they meet all the requirements.

### **Expectations of an Associate Director**

1. Read and sign the confidentiality contract and maintain the same level of confidentiality of individual member's records and other information as required of all Board members and Family First Credit Union staff.
2. Serve a one-year term that's renewable at the discretion of the board of directors up to a maximum of three (one) year terms. If the Associate desires to serve after three years, they are required to sit out for one year before being considered for nomination for another term by the board.
3. Attend and participate in 10 of the 12 scheduled monthly meetings or the same requirement as board members.
4. Associate Directors must serve (at least) on one committee. The Associate Director will also work on important projects if needed.
5. Attend appropriate League or chapter workshops, seminars, etc., as designated by the Board Chairperson.
6. Associate Directors will be allowed to attend one conference in state or out of state with the Family First Credit Union Board of Directors.
7. Associate Directors will participate on the Board as non-voting members.
8. Associate Directors will attend the annual dinner.

### **Training Requirements of the Associate Director**

Associate Directors will complete the CUNA Board Financial Literacy Certificate module and exam for board members. This module contains the following courses:

1. Financial Reports for Volunteers
2. Managing Risk for Volunteers
3. Financial Management
4. Asset-Liability Management for Directors
5. The Basics of Risk Assessment for Volunteers
6. Understanding Audit Reports

In the event the Board Associate remains inactive, does not meet the aforementioned expectations, does not meet the training requirements, or at the simple will of the Board for any reason, the Board can remove the appointment of the Board Associate.

Reimbursement of expenses for travel will be paid by the Credit Union for approved conferences, training sessions, Chapter meeting, or other functions associated with the further education of board members.

The Board Associate will sign a copy of this policy declaring that he or she understands this policy and will adhere to all requirements that have been aforementioned.

## **Board Emeritus**

### **Objectives of the Board Emeritus**

The Board Emeritus position is designed to honor a previous board member for his/her faithful years of service and retain the knowledge and expert opinion of the board member. The Board Emeritus is welcomed at all monthly Board meetings but will not be voting members of the Board.

### **Appointment of Board Emeritus**

The position of Board Emeritus is not an entitlement. The Chairperson of the Board will schedule a meeting with the Nominating Committee to discuss considerations for appointment of a former board member. The former board member must be an active member of the credit union in good standing. If the former board member is appointed, they will:

1. Serve a three-year term,
2. Serve at the pleasure of the current Board of Directors,
3. Attend a minimum of two board meetings each year during the three-year term,
4. Be allowed to attend local training sessions, chapter meetings, or other functions associated with the further education of board members, and
5. Attend conferences in state or out of state by invitation from the Board Chairperson.

The Board Emeritus is not subject to the performance requirements of regular Board members.

The Board Emeritus is not eligible to receive an annual gift given by the management and employees of Family First Credit Union.

In the event the Board Emeritus remains inactive for a period of 13 months, the Board can remove the appointment of Board Emeritus from the previous board member.

Reimbursement of expenses for travel will be paid by the Credit Union for approved conferences, training sessions, Chapter meeting, or other functions associated with the further education of board members.

The Board Emeritus position is not to be applied for and does not require an application by former board members.

**Appendix A**  
**Family First Credit Union**  
**Board of Directors Application**

I \_\_\_\_\_ am willing to leave my name placed in nomination and would accept the position of office if appointed.

I understand that in order to be eligible for consideration of this position I must not have any felony convictions, or misdemeanor convictions involving dishonesty or lack of faithful performance. I further understand that I must be bondable by the Credit Union.

In processing my application, I understand that a thorough background check will be conducted, and a consumer credit report will be obtained on me.

**Name** \_\_\_\_\_  
**Social Security Number** \_\_\_\_\_  
**Birth Date** \_\_\_\_\_  
**Email** \_\_\_\_\_  
**Street Address** \_\_\_\_\_  
**City/State/Zip** \_\_\_\_\_  
**Daytime Phone Number** \_\_\_\_\_  
**Employer** \_\_\_\_\_  
**Position** \_\_\_\_\_

**Statement of Qualifications**

Each nominee must submit a brief statement of qualifications and biographical data (in 50 words or less):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SIGNATURE** \_\_\_\_\_ **DATE** \_\_\_\_\_

## **Policy Review**

The Nominating Committee will meet annually during the month of November to review and update the Board of Directors/Board Appointed Positions Policy as needed.