 Office of Credit Unions Policies and Procedures	POLICY NUMBER
	10110
MANAGEMENT	EFFECTIVE DATE
	11/01/2018
SUBJECT	REVISION DATE
	11/01/2018
Board Minutes	PAGE(S)
	Page 1 of 3

I. PURPOSE


An analysis of the board minutes enables the examiner to draw conclusions about how the officials and management interact and perform their job responsibilities. This information is used to determine the adequacy of management and the effectiveness of board oversight. Analysis must also include review of required actions taken by the Board of Directors to ensure compliance with credit union Bylaws and the Michigan Credit Union Act (MCUA).

II. PRIMARY REFERENCES/RELATED REGULATIONS:


1. Michigan Credit Union Act:
 - a. [Section 341](#): Organizational, Annual meetings, Directors, etc.
 - b. [Section 342](#): Credit Union Board; Election of Officers; General Management.
 - c. [Section 351](#): Annual Meeting, Special meeting etc.
 - d. [Section 383](#): Discharge of duties by officers
 - e. [Section 384](#): Participation in deliberation or board action
2. Credit Union Bylaws:
 - a. Article IV: Meetings of Members
 - b. Article V: Elections
 - c. Article VI: Board of Directors
 - d. Article VII: Officers (Secretary Duties)
 - e. Article X: Borrowings
 - f. Article XVII: Credit Committee

III. MINIMUM PROCEDURES

1. **Verify Requirements for Annual meetings and Special Meetings:**
 - a. The MCUA requires a “credit union shall hold an annual meeting of members each calendar year in the manner indicated in the bylaws”.
 - b. The Bylaws require meetings shall follow general parliamentary procedure, and minutes shall be kept by the board secretary.
 - c. Minutes must document the required order of business including:
 - i. A determination of quorum;
 - ii. Approval of previous meetings minutes;
 - iii. Report of Directors;

 Office of Credit Unions Policies and Procedures	POLICY NUMBER
	10110
MANAGEMENT	EFFECTIVE DATE
	11/01/2018
SUBJECT	REVISION DATE
	11/01/2018
Board Minutes	PAGE(S)
	Page 2 of 3

- iv. Report of financial condition and audit;
 - v. Unfinished and new business;
 - vi. Report of Elections of directors (pursuant to Article V);
 - vii. Adjournment;
 - viii. Number of members in attendance (pursuant to Art IV).
- d. The Board may call a special meeting to “consider any matter deemed appropriate by majority vote of the board, or must call a special meeting within 45 days after receiving a request from the membership” pursuant to the credit union's bylaws.
- 2. **Requirements for Regular Board Meetings:** A monthly board meeting must be held at least once every other month and at least 6 times each calendar year per the MCUA. Minutes should document the board is meeting its fiduciary responsibility and taking actions pursuant to board duties as outlined by [Section 342](#) of the MCUA and the credit union’s bylaws. The following, at a minimum, are required to be recorded in the minutes of regular board meetings:
 - a. Minutes, when approved by the board, are required to be signed by the presiding officer and secretary (Article VII)
 - b. At first meeting following the annual meeting: board election of officers (Article VII and [Section 342](#)).
 - c. A statement showing the financial condition of the credit union, including the number and amount of delinquent loans” (Article VII)
 - d. The development and review of credit union policies as required by [Section 342](#) of the MCUA. The Board must review all policies at least annually. The following policies, at a minimum, should be reviewed:
 - i. Loan policies
 - ii. Investment policies
 - iii. Asset-liability management policy
 - iv. Liquidity policy
 - v. Capital adequacy policy
 - vi. Personnel policies
 - vii. Directorship policy
 - viii. Bank Secrecy Act policy
 - ix. Annual budget
 - x. Bond and insurance coverage
 - xi. Financial institution depository designations
 - xii. Security, membership, and investment officers

 Office of Credit Unions Policies and Procedures	POLICY NUMBER
	10110
MANAGEMENT	EFFECTIVE DATE
	11/01/2018
SUBJECT	REVISION DATE
	11/01/2018
Board Minutes	PAGE(S)
	Page 3 of 3

- xiii. All committee designations and membership
 - xiv. Membership Officer reports (Article III)
 - xv. Individual and specific approval for all borrowing (Article X)
 - xvi. Declaration of Dividends (Article XI)
3. **General Board Minute/Actions Review:** Board minutes should also document significant board actions, decisions and reviews, including but not limited to:
- a. Strategic planning.
 - b. Review of financial statements and budget variance reports.
 - c. Progress in achieving goals and related decisions.
 - d. Review and consideration of identified recordkeeping problems.
 - e. Review of loan and share products & rates.
 - f. Due diligence of new programs/products/material purchases.
 - g. Report of Investment activities.
 - h. Report of Borrowing Activities.
 - i. Report of ALM/ALCO Activities.
 - j. Review of Delinquency and Loan Losses.
 - k. Decisions related to general manager position.
 - l. Succession Planning.
 - m. Review of all audits and examinations, including discussion regarding actions taken to resolve weaknesses and prevent the recurrence of noted exceptions.
 - n. Review of Internal Audit functions.
 - o. Board attendance record.
 - p. Review of any significant correspondence regarding rules, regulations or other circumstances involving credit union operation.