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I. PURPOSE


The Credit Committee is responsible for the oversight and administration of credit decisions by the Credit Committee and loan officers. Credit Committee minutes should include documentation of Credit Committee actions as required by the Bylaws and MCUA. In the absence of a Credit Committee, the Board of Directors must perform all duties of the Committee.

II. PRIMARY REFERENCES / RELATED REGULATIONS

1. Michigan Credit Union Act:
 - a. [Section 341: Organizational Meeting; annual meeting; membership; committees; qualifications; notice of meeting; removal; vacancy](#)
 - b. [Section 421: Credit Committee Powers](#)
 - c. [Section 422: Loan agreement with member or another domestic credit union.](#)
 - d. [Section 423: Loan terms, Official loans, etc.](#)
2. Credit Union Bylaws Article VIII: Credit Committee

III. MINIMUM PROCEDURES:

1. Review the Credit Committee minutes to determine whether the Credit Committee has complied with the requirements of the MCUA and Article VIII of the Bylaws. The minutes must include, at a minimum:
 - a. Evidence that meetings are held as often as necessary.
 - b. Evidence that duties prescribed in the MCUA and Bylaws are being performed.
 - c. Names of person(s) appointed as loan officers, including lending limitations and all authority delegated.
 - d. Signed loan officer reports, if applicable.
 - e. The names of the Credit Committee or board members in attendance.
 - f. Loans or extension agreements approved or denied and releases of security, with requisite detail.
2. Verify at the first meeting of the Credit Committee following the Annual Meeting of the credit union, the committee must choose from the committee members a chairperson and a secretary.

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3. Review credit committee minutes to ensure Credit Committee required activities are being performed and documented. The Credit Committee should review, at minimum:
 - a. Loan applications requiring credit committee approval.
 - b. Policy limitations for loan officers to approve loans versus loans required to be approved by Credit Committee.
 - c. Regularly review loan policies and make recommendations to the Board of Directors for changes to policy, procedures and underwriting guidelines, as needed.