

**Introduction:**

Thank you for considering a position on the Board of Christian Credit Union. Our Board members are important representatives of our membership and set the direction for our Credit Union.

The role of a Board member has three related responsibilities:

1. **Oversight** – Ensure that the Credit Union is being managed in accordance with the relevant laws and regulations and in the best interests of the members;
2. **Insight** – Provide an objective perspective to management regarding their decisions and recommendations; and,
3. **Foresight** – Determine the strategic direction for the Credit Union and monitor Management’s progress in achieving the Credit Union’s strategic objectives.

The following document will provide an overview of the election process, the eligibility requirements for Board members, a brief synopsis of what to expect as a Board member, and the roles and responsibilities of the Board.

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**Vision:**

To be the recognized leader in applying Christian values to financial services.

“The earth is the Lord’s, and everything in it, the world, and all who live in it.” - Psalm 24:1 NIV

**Mission:**

We help people exercise good stewardship of the financial resources God has given to them.

“Each of you should use whatever gift you have received to serve others, as faithful stewards of God’s grace in its various forms.” - 1 Peter 4:10 NIV

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Each year, Christian Credit Union (Chr CU) requires a number of individuals to serve on the Board. The Governance Committee oversees the nomination of candidates and the election process (policy 2104). The committee’s role is to:

- *ensure the members are fully informed of the election process*
- *consider the desired skills and capabilities of candidates and of the Board as a whole*
- *recruit qualified candidates.*

The purpose of the process is to ensure that candidates are qualified and possess a skill set that will complement the skills of the current Board.

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The following table depicts the timing of the nomination and election process as per Policy 2103:

<b>Activity</b>	<b>Date</b>
The Board shall consider the skill set requirements needed to maintain the care and control of the Credit Union for the benefit of the membership	Ongoing
Board members completing terms the following March indicate desire to seek re-election for an additional term (if eligible)	June Board Meeting
The Governance Committee seeks out potential names of nominees to be recommended to the Board. This will occur between June and September Board Meetings.	
The Governance Committee recommends names of nominees equal to the number of upcoming vacancies on the Board (including short biography and areas of expertise in relation to skill set requirements)	September Board Meeting
Board decision on recommended nominees	September Board Meeting
On Board acceptance, Governance Committee notifies membership of skill set requirements and names of the nominees, inviting membership to submit additional nominations (notifying of process, deadline, proposed Election Period and date of AGM). Notice shall be presented through an insert in the member statements or a notice on the website, or both	Month of October
Members shall have a minimum of 14 calendar days from the date of the notice to provide nominations	Month of October
Governance Committee Convenor contacts the nominees presented by the membership to discuss the role and responsibility of a Board member	Early November
Governance Committee reports to the Board the names of the nominees presented by the membership immediately following the deadline for submissions of nominations	November Board Meeting
Governance Committee provides notice to the membership of the finalized list of nominees	December Newsletter and website
If no nominees are received from the membership, the nominees recommended by the Board shall be considered elected by acclamation	
Voting begins	January
Voting ends	February
Results tallied	February
Candidates informed of election results	Prior to AGM
Membership informed at AGM	March
First Board Meeting after AGM	March
New Board introduced to membership via website and Newsletter	March/April

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Persons wishing to serve on the Chr CU Board of Directors must meet the eligibility requirements of Section 65 of the Credit Union Act (see Appendix "A").

The following criteria from Policy 2102 are in addition to the requirements contained in the *Credit Union Act*:

- Be in agreement with the Basis and Purpose of the Credit Union as set out in Section 1.1 of the Bylaws and with the Values and Principles as set out in Policy 2001.
  - Basis and Purpose
  - The basis and norm for the activities of the Credit Union is the Bible, the written Word of God.
  - The object of the Credit Union shall be the promotion of cooperative enterprise in the Christian community, for the purpose of providing financial services at equitable rates and providing mutual aid as a concrete expression of our God-given obligation to love our neighbour.
  - We believe that, as God's faithful stewards, we must use the wealth He has given for the building and coming of His kingdom in Jesus Christ.
- Be in agreement with the Statement of Faith as set out in Section 1.2 of the Bylaws.
- Be a member of the Credit Union for a minimum of one (1) year.
- Be, and remain, eligible for fidelity bonding and have a satisfactory credit history.
- Not be an Employee of a Credit Union, nor have been in the previous 36 months.
- Not be a member of the immediate family of an Employee. For the purpose of this policy, the immediate family is defined to include spouse and children, parents, brothers, sisters, grandparents or spouses of same.
- Not be involved, as an individual and/or in an ownership capacity with any group or company, in any legal action or dispute with the Credit Union or with any other financial institution.
- Not be a board member or sales representative of any other financial institution, except as a representative of the Credit Union.
- Be able to attend regular meetings of the Board.
- Expected to conduct his/her day to day banking with the Credit Union, in order to demonstrate confidence in the Credit Union.
- Have the skills necessary to complement the Board's current requirements.

In addition to the above fundamental requirements, the candidate should have attributes and/or demonstrated competence in one or more of the following areas:

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- Financial literacy (i.e. able to read and understand financial statements and reports and assess the implications of these documents)
- Past experience serving on boards or committees or councils that make complex decisions
- Has demonstrated competence in one or more of the following areas:
  - Accounting
  - Auditing
  - Banking
  - Board Governance
  - Business Ownership
  - Human Resource Management
  - Information Technology
  - Legal
  - Marketing / Sales Experience
  - Quality, Risk Management, Performance Management
  - Read/understand Financial Statements
  - Regulatory Environment
  - Strategic Planning and Direction Setting

The candidate must be able and willing to make the commitments set out in the following table.

Item	Estimated time commitment
Board meetings	5 Board meetings are scheduled for the year, occurring in March, June, September, November and January. They start at 7:30 PM and meetings last between 1.5 to 3 hours.  (Board members will also serve on one of the Committees as per below.)
Read Board Package	Board/Committee packages are electronically available during the week prior to the meeting. Familiarization of the material will take from 2 to 5 hours per meeting.
Committees	The Board is made up of the following Committees: <ul style="list-style-type: none"> <li>• Executive – meets as required</li> <li>• Audit &amp; Finance – meets 5 times per year</li> <li>• Governance – meets 5 times per year</li> </ul>
Planning sessions	One full day meeting per year typically in May or June. Preparation, meeting and follow-up can take up to 10 hours per meeting.
Electronic meetings	From time to time, Board members will be asked for input and/or be asked to approve of certain actions electronically. No time estimate available.
Training and Development (Policy 2114)	Board members are expected to remain current on Credit Union issues. In addition, new Board members are able to take board member training through Credit Union training organizations.

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Further, the potential candidate:

- must not be in a Conflict of Interest or potential Conflict of Interest situation (policies 2002, 2004)
- must be able to maintain confidentiality (policies 2002, 2003)
- must take leave when the election writ is issued if seeking federal or provincial office and may not be a sitting member of same (policy 2002).
- is recommended to check with workplace clauses to determine eligibility to serve on the Board.

## **Board Terms of Reference (policy 2109):**

The Board acknowledges its responsibility for the general management of the business and affairs of the Credit Union in accordance with the *Credit Union Act* and the Bylaws including:

- Exercising the powers of the Credit Union directly, or indirectly through Employees.
- Establishing and maintaining prudent policies for the operation of the Credit Union.
- Directing the management of the business affairs of the Credit Union.
- Acting honestly and in good faith with a view to the best interests of the Credit Union to the exclusion of other interests.
- Exercising the care, diligence and skill of a prudent person in directing the Credit Union's affairs.

To carry out these responsibilities the Board will:

- Ensure the selection, supervision and ongoing evaluation of qualified and competent management with the skills necessary to manage the sound operation of the Credit Union as evident through experience, education and results achieved.
- Ensure that Board and Management skills and training are continually maintained at a level required to achieve sound business policies and practices.
- Review and maintain Credit Union policies, to ensure their continuing relevance and consistency with standards of sound business practices, the needs of members, and regulatory requirements.
- Ensure the engagement of audit and inspection processes which inform the Board of adherence to policies and practice requirements.

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- Specify the content and frequency of Management reports to the Board to ensure accurate and timely performance monitoring and adherence to performance requirements, targets and standards.
- Ensure that the Credit Union has effective internal controls and measures which safeguard the assets of the Credit Union.
- Closely review and where possible implement recommendations of regulators, auditors and industry professionals which prevent or remedy deficient business practices.
- Annually review Code of Conduct requirements to ensure that they are adhered to and that each Director and Official is acting in the best interest of the Credit Union.
- Maintain effective Board and/or Management planning processes which promote the long-term viability of the Credit Union, and establish and monitor business objectives.

If you have any questions, please do not hesitate to contact:

**John W. Veldkamp**

Chief Executive Officer

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## Appendix A

### CREDIT UNION ACT

#### Qualifications of directors

**65(1)** A person is not qualified to become, and shall not act or continue to act as, nor permit the person to be elected or appointed as, a director of a credit union, and the credit union shall not knowingly permit any of those acts, unless the person satisfies the qualifications specified and referred to in this section.

**(2)** A person is not qualified to be a director of a credit union

- (a) unless the person is
  - (i) an individual of adult age,
  - (ii) a member or a designated representative, and
  - (iii) a Canadian citizen or a person who has been lawfully admitted into Canada for permanent residence;
- (b) if the person has the status of a bankrupt;
- (c) subject to subsection (5), if the person is, or within the 3-year period immediately preceding the person's election or appointment to the board was, an employee of any body corporate;
- (d) if the person is a professional advisor to the credit union;
- (e) subject to subsection (5), if the person is a director or officer of another credit union or of the Corporation;
- (f) if the person is employed in the public service of Alberta or by a Provincial agency within the meaning of the *Financial Administration Act* and to which that Act applies, whether under a contract of service or a contract for services, whose substantive duties are directly concerned with the business or affairs of credit unions or of Central;
- (g) if, within the immediately preceding 5 years, the person has been convicted of

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(i) an indictable offence that is of a kind that is related to the qualifications, functions or duties of a corporate director, or

(ii) an offence against this Act,

and either the time for making an appeal has expired without the appeal's having been made or the appeal has been finally disposed of by the courts or abandoned;

(h) if the person has a loan from that credit union in respect of which the repayment of principal or interest is in arrears for the prescribed period;

(i) if the person is a represented adult as defined in the *Adult Guardianship and Trusteeship Act* or is the subject of a certificate of incapacity that is in effect under the *Public Trustee Act*;

(j) if the person is a formal patient as defined in the *Mental Health Act*;

(k) if the person has been found to be a person of unsound mind by a court elsewhere than in Alberta;

(l) if the person is disqualified by, or unless the person satisfies any other qualification requirements of, the bylaws.

**(3)** A person is not qualified to remain a director if the person fails without good cause to attend the minimum number of board meetings that the person is required by the bylaws to attend.

**(4)** Three-quarters of the directors must at all times be ordinarily resident in Alberta.

**(5)** The Minister may approve an exemption from the application of subsection (2)(c) and (e) in respect of a person's employment with, or a person's service as a director or officer of, the Corporation.

RSA 2000 cC-32 s65;2008 cA-4.2 s126