

1200. DIRECTOR EDUCATION POLICY

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Director Qualifications

Candidates for the office of director with Resource One Credit Union must meet the following qualification requirements:

- 1) Must have a willingness to serve in an honest and unselfish manner for the benefit of the membership.
- 2) Must have a willingness and the ability to learn and commit to the education requirements established by the Board of Directors.
- 3) Must be a member in good standing of the Credit Union.
- 4) Should have an understanding and dedication to the purpose of the Credit Union movement and Resource One Credit Union.
- 5) Must have the desire to fulfill the duties and responsibilities of the office.
- 6) Education and/or work experience in one or more of the following areas: Accounting, Marketing, Finance, Budgeting, Personnel, Data Processing or other business and financial areas is preferred, but not required.
- 7) In accordance with Texas Credit Union Rule 91.501(b), no member may be elected to or serve on the board of directors if that member:
 - a) has been convicted of any criminal offense involving dishonesty or breach of trust.
 - b) is not eligible for coverage by the blanket bond required by the Texas Credit Union Act and Rules.
 - c) has had a final judgment entered against him/her in a civil action upon the grounds of fraud, deceit, or misrepresentation.
 - d) has a payment on a voluntary obligation to the credit union that is more than 90 days delinquent or has otherwise caused the credit union to suffer a financial loss.

- e) has been removed from office by any regulatory or government agency as an officer, director, or senior executive management person of a financial institution; or has caused or participated in a prohibited activity or an unsafe or unsound condition at a financial institution which resulted in the suspension or revocation of the financial institution's certificate of incorporation, or authority or license to do business.
 - f) has failed to complete and return a director application in accordance with the Texas Credit Union Act and Rules.
 - g) refuses to take and subscribe to the prescribed oath or affirmation of office.
- 8) In accordance with Texas Credit Union Rule 91.501(c), any member nominated for, or seeking election to, the Board of Directors must submit a written application in the form prescribed, together with any additional information requested by the Credit Union. The application must be submitted:
- a) to the Nominating Committee prior to the determination by the Committee of its nominees; or
 - b) to the Board Chairman within 30 days following the election if the member elected is not nominated by the Nominating Committee or by petition, or is elected by the Board to fill an unexpired term. The applications of elected directors shall be incorporated into and made a part of the minutes of the first Board of Directors meeting following the election of those Directors.

Code of Ethics

Management and Control

- 1) Review the Bylaws and any policy revisions of the Credit Union at least once a year.
- 2) Prior to each business meeting, study the financial statements and other reports provided by management. Be prepared to discuss the reports at the meeting and ask any question which you may have of management.
- 3) Maintain extreme confidentiality of any oral discussions or written reports depicting the financial records of the individual credit union members.
- 4) Set policies and make decisions, which are in the best interest of the membership of the Credit Union.
- 5) Work in harmony with the President/CEO of the Credit Union. Allow the President/CEO flexibility in managing the operations of the Credit Union as per the policies set by the Board.
- 6) Become familiar with the services provided by the Credit Union.
- 7) Be an active participant of any committee the Chairman of the Board may appoint you to.

Education

- 1) Agree and commit to the Volunteer Educational Requirements as approved from time to time by the Board.
- 2) Complete Bank Secrecy Act training annually.
- 3) Complete Sexual Harassment training annually.

Participation and Involvement

- 1) Attend all regular and special meeting of the Board, unless prevented by circumstances beyond his/her control. If unable to attend, notify the Credit Union President/CEO or Chairman as soon as possible. In accordance with Section 5.07 of the Credit Union's Bylaws, I understand that if I fail to attend 3 consecutive regular board meetings without due cause, or if I fail to attend six regular meetings within a twelve month period that I will automatically be removed from office.
- 2) Participate in all meetings of the Credit Union membership, including the Annual Planners meeting unless prevented by circumstances beyond his/her control.
- 3) Represent the Credit Union in the best possible manner.
- 4) Participate in an assessment and evaluation of personal and board effectiveness and development of subsequent performance improvement plans, as the Board determines the need.

Volunteer Education Requirements

Based on the need to have knowledgeable, accountable, and well-trained volunteers for the survival and growth of the Credit Union, it is important that the Board of Directors and the Audit Committee complete and attend various meetings, sessions, etc. **All elected officials are required to pursue outside training relevant to their duties and responsibilities at least once during each three-year term. Elected officials are encouraged to pursue relevant outside training annually.**

Board/Audit Members

New Board/Audit members will be required to complete the Basic Certification of the Volunteer Achievement Program (VAP) within six (6) months of election. Current Board/Audit members will be required to complete the Basic Certification within six (6) months.

Basic Certification is awarded when the CU Fundamentals courses V01, V02, and V03 (Attachment B) are completed along with courses from a learning track:

- Board of Directors courses: V100, V101, V102
- Credit Committee/Lending courses: V200, V201, V202
- Credit Union Services: V600, V601, V602
- Supervisory Committee: V300, V301, V302

Upon completion of the Basic Certification, annually each Board/Audit member shall complete one educational or training activity. The following activities are recommended:

- Completion of additional modules in the VAP program.
- The **Cornerstone Credit Union League (CCUL)** Annual Leadership Conference (if financially feasible)
- Other training opportunities as identified.

Board/Audit members will be expected to keep updated on the events and concerns of the Credit Union industry and read all material provided through the Credit Union.

Board/Audit members should be familiar with the services provided to all credit unions through the **CCUL**, the Credit Union National Association, and other industry entities.

Within a month of attending a conference or other development opportunity, each elected

official will complete a written report outlining key details. A conference report is not required when a majority of the credit union's elected officials attend the same conference. Elected officials attending the Governmental Affairs Conference will give a verbal update at the Board meeting following the conference.

Attendance is required at the Resource One Credit Union Annual Strategic **Planning** Meeting and any scheduled in-house training sessions, unless prevented by circumstances beyond his/her control.

Attachment A

Director Qualifications Agreement

I fully understand and do hereby agree that to serve on the Board of Directors of Resource One Credit Union; I will conform to and abide by the following:

- 1) Attend all regular and special meetings of the Board when notified, unless prevented by circumstances beyond my control.
- 2) Attend the Credit Union Annual Strategic Planning meeting, unless prevented by circumstances beyond my control.
- 3) Continually seek to learn more about the Credit Union organization and its services and about my individual responsibilities as a Board member by fulfilling the education requirements established by the Board.
- 4) Consider the business of the Credit Union and its members to be confidential in nature.
- 5) Should I ever find myself under obligation to any other group or organization that is in conflict with the Credit Union, I shall disclose the conflict to the Board and refrain from participating and voting on issues related to the conflict.
- 6) Participate to the best of my ability in determination of policy and other matters coming before the Board, give full attention to problems of the Credit Union, and vote on all issues submitted or proposed for board action.
- 7) Give all assistance possible to my fellow board members, appointed officers, and employees of the Credit Union in the discharge of the duties of their offices.
- 8) Participate in an assessment and evaluation of personal and board effectiveness and development of subsequent performance improvement plans, as determined by the Board.
- 9) Agree to and conform to the Board of Directors "Code of Ethics" and "Education Requirements" as approved by the Board.

Signature

Date

Attachment B

Credit Union National Association VAP Certification Program

CUNA's Volunteer Achievement Program (VAP) helps credit union volunteers learn to work effectively, make informed decisions, and improve credit union performance.

Today's rapidly changing credit union climate has credit unions relying more heavily than ever on the leadership skills of their elected officials. In fact, to keep up with this pace more and more credit unions are requiring continuing education for their volunteers. VAP is your credit union's solution to find learning opportunities here for both new and experienced volunteers.

VAP self-study courses teach the philosophical and financial topics that board members and other volunteers need for their decision-making responsibilities. VAP is your credit union's key to strengthening the knowledge of volunteers on a wide range of topics from financial management to compliance to strategic leadership.

VAP Course List

Board of Directors Fundamentals

V100	Board of Directors: Duties and Responsibilities, 4 th edition
V101	Board Policies, 5 th edition
V406	Directors' Liability, 3 rd edition
V411	Board Reports, 2 nd edition
V412	Developing, Writing, and Implementing Policies, 1 st edition

Compliance

V410	Credit Union Examinations, 3 rd edition
V416	Understanding Regulations, 1 st edition
V426	Bank Secrecy Act for Volunteers
V428	Understanding Audit Reports

Credit Committee/Lending

V200	Credit Committee: Duties and Responsibilities, 4 th edition
V201	Loan Granting, 4 th edition
V202	Collections, 5 th edition
V407	Bankruptcy, 2 nd edition
V423	Member Business Lending, 1 st edition
V600	Introduction to Mortgage Lending, 1 st edition

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Finance

V409	Financial Management, 3 rd edition
V415	Asset-Liability Management for Directors, 1 st edition
V424	Investment Essentials for Directors
V425	Budgeting Basics for Directors

Human Resources

V405	Board/CEO Relations, 4 th edition
V419	CEO Compensation, 1 st edition

Leadership

V414	Recruiting, Orienting, and Retaining Board Members, 1 st edition
V421	Political Involvement, 1 st edition
V700	Strategic Credit Union Leadership, 1 st edition
V701	Directing Effective Teams, 1 st edition
V702	Maximizing Board Performance, 2 nd edition

Marketing

V403	Marketing, 4 th edition
V413	Marketing to Generations and Target Groups, 1 st edition
V602	Offering Credit Union Youth Programs, 1 st edition

Planning

V102	Planning, 4 th edition
V404	Strategic Planning, 4 th edition
V418	Business Recovery Plans and Policies, 1 st edition
V422	CEO and Board Succession Planning, 1 st edition

Supervisory Committee

V300	Supervisory Committee: Duties and Responsibilities, 5 th edition
V301	Auditing I, 5 th edition
V302	Auditing 2, 5 th edition
V427	Basics of Internal Control

Supervisory Committee II

V304	The Supervisory Committee's Role in Finding Fraud
V305	The Basics of Risk Assessment for Volunteers

Technology

V500	Credit Union Technology, 2 nd edition
V501	Planning for Technology, 2 nd edition
V502	Electronic Fraud and Security, 2 nd edition
V601	Online Policies and Internet Use, 1 st edition

Volunteer

V01	History and Philosophy for Volunteers, 4 th edition
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V02	Financial Reports for Volunteers, 4 th edition
V03	Managing Risk for Volunteers, 5 th edition
V417	Assessing the CEO: Performance Appraisal and Goal-Setting, 2 nd edition
V420	Credit Union Growth Strategies: Pathways to Success, 2 nd edition

CUNA's Volunteer Achievement Program (VAP) offers a variety of recognition opportunities for volunteers. Get started today with any combination of VAP courses.

A certificate and pin are awarded upon successful completion of the exams per the following lists.

Basic Certificate and Pin

Awarded when the CU Fundamentals courses V01, V02, and V03 are completed along with courses from a learning track.

- Board of Directors courses: V100, V101, V102
- Credit Committee/Lending courses: V200, V201, V202
- Credit Union Services: V600, V601, V602
- Supervisory Committee: V300, V301, V302

Regulatory Compliance: V410, V416, V426

Supervisory Committee II: V303, V304, V305

Edward Filene Certificate and Pin

Awarded when 12 VAP courses are completed

Friedrich Raiffeisen Certificate and Pin

Awarded when 18 VAP courses are completed

Roy F. Bergengren Certificate and Pin

Awarded when 24 VAP courses are completed

Alphonse Desjardins Certificate and Pin

Awarded when 30 VAP courses are completed

Louise Herring Certificate and Pin

Awarded when 36 VAP courses are completed

Dora Maxwell Certificate and Pin

Awarded when 42 VAP courses are completed

Thomas Doig Certificate and Pin

Awarded when 48 VAP courses are completed

Technology Certificate and Pin

Awarded when technology courses V500, V501, and V502 are completed

Credit Union Leadership Certificate and Pin

Awarded when leadership courses V700, V701, and V702 are completed

Date Revised: September 2018

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Volunteer Education Requirements added:

All elected officials are required to pursue outside training relevant to their duties and responsibilities at least once during each three-year term. Elected officials are encouraged to pursue relevant outside training annually.

Corrected/clarified the following on Page 4:

Changed TCUL to the current name Cornerstone Credit Union League (CCUL)

Added top paragraph on Page 5:

Within a month of attending a conference or other development opportunity, each elected official will complete a written report outlining key details. A conference report is not required when a majority of the credit union's elected officials attend the same conference. Elected officials attending the Governmental Affairs Conference will give a verbal update at the Board meeting following the conference.

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