

BOARD OF DIRECTORS JOB DESCRIPTION

Title: Director
Reports to: Members
Supervises: Chief Executive Officer/President

Summary: A volunteer position to provide strategic direction and governance of the Credit Union and monitor its overall affairs. Board Members must 18 years of age or older and be an active member of the credit union, in good standing.

Term

At the annual meeting each year, elections to the Board of Directors shall be held in such manner that the term of office be three (3) years and shall be staggered so that insofar as possible an equal number of such terms shall expire each year. Therefore, members of the Board of Directors shall serve from the time of their election for a period of three (3) years and until their successors shall have been elected.

Primary Functions:

- Establish and oversee policies.
- Plan and set short and long-term goals.
- Ensure financial soundness and continuity.
- Hire and evaluate the Chief Executive Officer
- Report to the Credit Union Members at the annual meeting
- Represent the Credit Union in the community.

All decisions should be guided by the best interest of the membership.

Specific Duties

1. Work with the CEO and the Board to develop (plan) objectives and goals for the Credit Union.
2. Ensure the Credit Union adheres to pertinent laws, regulations, and sound business practices.
3. Ensure the Credit Union maintains sound financial conditions and that the Credit Union's assets are protected against unauthorized or illegal acts.
4. Ensure policies are developed/reviewed and updated with bylaws on an annual basis.
5. Approve, as needed, the development of new products and services.
6. Approve the Credit Union's budget.
7. Recruit and hire a competent Chief Executive Officer; evaluate the CEO on progress in attaining established goals and objectives on an annual basis.
8. Ensure that succession plans are developed for CEO and Board.
9. Attend Board meetings and exercise independent judgment.
10. Each credit union's director has the duty to, at the time of election or appointment, or within a reasonable time thereafter not to exceed six months, have at least a working familiarity with basic finance and accounting practices, including the ability to read and understand the credit union's balance sheet and income statement and to ask, as appropriate, substantive questions of management and internal and external auditors.

11. The board of directors, acting through senior management, is ultimately responsible for ensuring that the credit union maintains an effective BSA/AML internal control structure, including suspicious activity monitoring and reporting. While the board of directors may not require the same degree of training as banking operations personnel, they need to understand the importance of BSA/AML regulatory requirements, the ramifications of noncompliance, and the risks posed to the credit union. Without a general understanding of the Bank Secrecy Act, the board of directors cannot adequately provide BSA/AML oversight; approve BSA/AML policies, procedures and processes or provide sufficient BSA/AML resources.
12. Report to the Members at the annual meeting.

Personal Liability:

AFCU carries Directors' and Officers' liability insurance through CUNA Mutual Insurance. This policy protects the Credit Union's directors, volunteers and employees from liability arising out of their duties performed for the Credit Union. The annual aggregate limit is \$10,000,000. A detailed list of coverage is available through CUNA Mutual. I understand that all loans received from a Board Member must be approved by the Board of Directors.

I have read and understand the Board of Directors job description. I agree to be legally bound to all requirements applicable to my duties as a director. If during my term of office, I find that I cannot devote sufficient time to credit union business and fully comply with the outlined duties and requirements I understand that the Board of Directors will have the authority to review the circumstances and remove me from my appointment; or I may submit a letter of resignation to the Chairperson of the Board.