

Minutes Reviewed: 1990 through 3/2007

**Documents the Board reviews**

Allowance for Loan Losses Policy  
ALM Policy  
Bank Secrecy Act Policy  
Check Hold Policy  
Collection Policy  
Complaint and Conflict Resolution  
Conflict of Interest, Bribery Policy  
Disaster Plan  
E Commerce  
E privacy  
Employment Handbook  
Fee Schedule  
Goals Statement  
Insurance Review  
Investment Policy  
Loan Policy  
Member Identification Program Policy  
Security Policy  
Strategic Board Governance Policy

**EXECUTIVE SESSION**

Legal accounts  
Personnel Issues  
Complaints  
CEO review  
401K discretionary  
Insurance claims  
Holiday Bonus  
Outstanding Lawsuits and Bond Claims

**POLICIES AT STAFF LEVEL**

Administrative Handbook  
Alarm Response Policy  
Donation Policy  
Fee Reversal  
Hazardous substance  
New Council  
Overdraft Policy  
Over and Short  
Purchasing Policy  
Saturday Contingency plan  
Telecommute Policy

**CONSENT AGENDA**

Minutes  
Loan to Officials  
Write offs  
Membership Officer Report

**REGULAR EVENTS**

Holiday Party  
Annual Meeting  
Strategic Planning Retreat  
Orientation

**AWARDS**

Volunteer of the Year  
Youth Volunteer  
Jeff Furman Award

## **TYPICAL DECISIONS**

401k Profit Sharing  
401K Match  
ad campaigns  
Addition of New Services  
Annual Meeting  
Appoint to fill vacancies  
Association Memberships  
Audit budget  
Authority to Vote Our Interest (Nyscul,  
Benefit Policy  
Board training  
Board Meeting Evaluation  
Bonus  
Branch Locations  
Annual Budget  
CENTS fees and scale  
CEO Hiring  
CEO Review  
Closing early on Holidays  
Committee membership and chairs  
Contracts  
Correspondent contracts  
CULAC/CUPAC  
Donations  
Election of Officers  
Elimination of Products  
Endorsements  
Exam and Audit Review  
Exam exit interview  
Field of Membership  
Fixed Assets above \$5000  
grant contracts  
Grant Applications  
Hours of Operation  
Insurance coverage  
Ithaca Hours Acceptance  
Letters of support  
Loans to Board members  
logo  
Livable wage Report  
Merit Review Ranges  
Mission Statement  
Nomination process  
Orientation  
Partnerships  
Per Diem  
Rate Sales and discounts  
Rates for Regular Savings, Ira, Scu,  
Resignations  
Salary Ranges set  
Sale of OREOs  
Sale of Assets  
Sales, incentives  
Schedule of Holidays  
Schedule of Board Meetings  
Secondary Capital Offerings  
Set Fees  
Signers on Accounts  
Size of the Board  
Staff Benefits  
Staffing Roster  
standing committees  
Strategic planning  
Taking Stands  
Terms of Accounts (Certificate Renewal,  
Min Bal, Etc)  
Vendor Contract  
VISA Fees

## **TYPICAL AND REPEATED REPORTS**

### **ANNUAL**

Budget  
Compease  
NCUA Exam  
Supervisory Audit  
Annual Report

### **QUARTERLY**

ATM report  
Conference schedule

### **MONTHLY**

Grant Progress  
Schedule of Investments  
Schedule of Delinquency  
Consumer Loan Officer Report  
Mortgage Loan Officer Report  
Business Loan Report  
Balance Sheet  
Income Statement  
GAP analysis  
Key Ratios  
Spread Analysis  
Board of Directors Minutes

## **ASSOCIATION MEMBERSHIPS**

Alternatives Fund  
Assoc for Enterprise Opportunity  
Community Development Professionals  
Coop America  
CUSA Upstate Users Group  
Filene Research Institute  
INHS  
Ithaca Board of Realtors  
NAGGL  
Nat Com Capital Assn  
Nat Fed Community Development Cus  
NYS Credit Union League  
NYS CDFI Coalition  
SENSES  
Social Investment Forum  
SSA  
TC Chamber of Commerce  
TC Area Development Corp  
Women's Community Building

## COMPENDIUM OF MISC POLICIES

Long reaching decisions NOT contained in policy documents

07/03

Service Area Restrictions.

Within the parameters of our Field of Membership,

(1) New accounts may be opened only for local residents, defined as Tompkins and adjacent counties (Cayuga, Chemung, Cortland, Seneca, Schuyler and Tioga) , exceptions in ©).

(2) Existing accounts may remain open for members who are, or in the future may move, outside this region.

(3) The following exceptions may be made to open new accounts outside the above region:

(a) Any organization or individual may open any certificate or IRA and the required minimum balance share account.

(b) Individuals domiciled north of Orange and Putnam counties in New York State, conditioned upon approval and funding of a secured automobile loan;

(c) Participants in our SBA Microloan, Partnership Business Solutions (PBS) and Community Partnership Lending (CPL) programs.

06/12

Confidential reporting of SARs filings. A new opinion from NCUA and FINCEN requires that the Board be notified that a SAR has been filed

i. The ambiguous "flexible" standard is to meet the "needs and circumstances" of the credit union.

ii. Considering we need to file very few SARs, and our membership is "low risk" on our matrix for BSA and anti-money laundering, it would be sufficient for the CEO to state the anonymous suspicious activity, but use judgment if further details are appropriate based on the type of activity or in response to follow up board questions.

(1) Whether the SAR involved a member or employee

(2) What dollar amount might be involved

(3) Other general information about the circumstances triggering the SAR.

iii. An adequate record is created if the consent agenda merely reflects the date the SAR was filed.

06/09

Process for Nominations and Appointments

a. Strategic selection form diversity and skills.

b. Referrals come from multiple resources. Recruitment materials are on the eBoard site.

i. Committee members can invite candidate to attend meeting

ii. Gov can refer to Committee chair

c. Minimum contact to candidate should involved phone call or meeting

d. Collect Credentials

e. Invite to attend committee meeting

f. We prefer committee membership as farm team for Board

- g. Forward to Board for approval
- h. Follow up by Gov or Pres
- i. Interim appointments last until Annual Meeting

06/07

In response to an increased incidence of check fraud, Service Area Restrictions have been reviewed

- i. Within the parameters of our Field of Membership,
- ii. New accounts may be opened only for local residents, defined as Tompkins and adjacent counties (Cayuga, Chemung, Cortland, Seneca, Schuyler and Tioga).
- iii. Existing accounts may remain open for members who are, or in the future may move, outside this region.
- iv. The following exceptions may be made to open new accounts outside the above region:
  - (1) individuals domiciled north of Orange and Putnam counties in New York State, conditioned upon approval and funding of a secured automobile loan;
  - (2) Participants in our SBA Microloan, Partnership Business Solutions (PBS) and Community Partnership Lending (CPL).programs.
  - (3) Organizations with banking history of at least two years, other than privately held for-profit businesses owned by less than 10 individuals.

06/06

- j. The Board **APPROVES** a commitment of \$10,000 towards the Bill Myers Youth Internship, a stipend connected to the Student Credit Union, which would provide a paid summer internship for a SCU member to do meaningful work at Alternatives.

06/01

- 2. Board Committee Chairs and Staff liaisons.
  - a. Board Chair: Facilitate and manage meeting, Find substitute chair
  - b. Staff Liaison: Develop, distribute and present agenda
  - c. Presentation of issues to the Board may be by staff or Committee, a decision left to each committee.
  - d. Committee recommendations may be by consensus or voting, a decision left to each committee.
  - e. Dissents should be recorded in the recommendation to the full Board.
- 3. Additional Board roles
  - a. Past President or Past Chairperson. Without establishing a formal role, the Committee recommends we recognize the value that a Past President Provides:
    - i. Continuity to the organization through his or her recent experience as president.
    - ii. Support to the president to learn and fulfill his or her role.
    - iii. Involvement in board orientation and development.
  - b. Vice President or Vice Chairperson. The Committee recommends no action in designating the VP as President-Elect. The Board can take advantage of the articulated officer election process to make a “clean slate” decision on officers

- each year.
  - c. Ombudsman . The Committee found that these roles could and should be absorbed by the President: Meeting process, Gatekeeper of norms, sergeant at arms, Board conflict during (and after) meetings, and groundrules.
  - d. Board officer succession plan and Term limits for officers. Given the improvement in the Officer Election process, no adoption of term limits recommended. Board members should take advantage of the clear opportunity to put their names forward every year.
4. Executive Session Policy
- a. As a democratic organization, Alternatives places value on transparency and free flow of information.
    - i. Members are invited to attend meetings, and may participate at Board invitation.
    - ii. Notice of the time and place of Board meetings will be posted and the minutes of meetings made available at Alternatives' office
    - iii. Upon a vote of the Board an Executive Session may be called, with attendance limited to Board members and others invited by the Board. Some examples of the types of discussions that would likely go to executive session are:
      - (1) Personnel Issues relating to a particular person
      - (2) Complaints
      - (3) Lawsuits and Bond Claims
      - (4) Investigations of criminal activities
      - (5) Negotiations
      - (6) Other matters as the Board determines.

05/11

Accept Ithaca Hours for HSA fees.

We accept Hours for all fees and One hour per loan payment. The Board has limited Credit union exposure to risk by capping the total of the Hour account at \$5,000.

05/09

These are the current roles of the executive committee members, which the Governance Committee believes we agree upon. These existing practices are CONFIRMED as policy.

- 5. President and Chairperson.
  - a. Coordinates the work and the overall planning and direction of the board.
  - b. Reviews and develops Board Agenda prepared by staff
  - c. Insures agenda items go through Committee structure. Then if Board member not satisfied "open door"to agenda
  - d. Chairs the meetings of the board and manages its decision-making processes.
  - e. Manages the people on the board: it is the president's job to ensure the board fulfills its responsibilities, and to hold board members accountable.
  - f. Facilitate communication between the board and the CEO.
- 6. Vice President or Vice Chairperson.
  - a. Assumes the responsibilities of the president in the president's absence.

- b. This position should work closely with the president to support the president in his or her role.
- 7. Secretary.
  - a. Ensures the required record keeping duties are carried out.
  - b. Authorized to sign official documents.
  - c. Staff prepares, maintains and distributes the board's records, such as the minutes, agendas, correspondence and contracts.
- 8. Treasurer.
  - a. Oversees the organization's finances.
  - b. Staff perform the day-to-day financial record keeping.
  - c. Ensuring the overall financial accountability of the organization.
  - d. Chairs the Budget Committee.
- 9. Executive Committee. The Officers of the Board, delegated emergency powers on behalf of the full board between Board meetings, action to be confirmed at the next Board meeting.

05/08

Review of existing Board committee procedures.

- a. All Board committees are re-drawn at the first Board meeting after the Annual meeting
- b. Board members self-select committee membership by volunteering
- c. The Board appoints non-Board volunteers to committees.
- d. Executive Committee is comprised of Officers P VP T S

ADDITION to policy.

Board members may participate in Board meeting by phone conference. Proxy votes are not permissible.

Nomination and election process for Executive Committee

- e. The election of Board officers will take place at the first meeting of the Board following the annual meeting.
- f. At the Governance Committee meeting preceding the Annual Meeting, the Governance Committee will select a Board member to be the Election Clerk for the Executive Committee nomination and election process. The Clerk must be a Board member who is not an Executive Committee member and is not a candidate for a position as a Board officer.
- g. Within three days of the annual meeting, the Clerk will communicate with all Board members by mail or email and request nominations for Board officers. Nominations may be made by any Board member who may nominate herself or himself.
- h. Nominations for a position as a Board officer shall be made in writing or email to the Clerk at least one week prior to the meeting at which the election will be conducted.
- i. The Clerk will prepare a ballot for the election containing the names of all nominees and distribute it to all members of the Board by mail or email at least

three days prior to the meeting at which the election will be conducted by confidential ballot.

05/04

an amendment to Board Training Policy

- j. We would like to spread Board members around between events.
  - i. Two board attendees can cover most national meetings.
- k. Attendance should be prioritized based on relevance to training goals for individuals.
- l. Board members should report their training to the next Board meeting

05/04

changes to procedures for Board members who are going MIA.

- m. NCUA counts three missed meetings in a row as grounds for dismissal.
- n. Missing 4 meetings in 12 months as grounds for dismissal
  - i. Committee attendance would be a mitigating factor
- o. President will initiate discussion when these thresholds are approached. President will propose action to the Board when thresholds are exceeded.

05/01

Board attendance.

- p. The standard Credit Union bylaws say in Article VII, Section 7: "If a director fails to attend regular meetings of the board for three consecutive months, or otherwise fails to perform any of the duties devolving upon him/her as a director, his/her office may be declared vacant by the board and the vacancy filled as herein provided."
- q. 4/94 Discussion on previous policy of President asking a Board member to resign after three consecutive absences. This will continue to be Board policy. Again, attendance is a personal responsibility accepted with the Board position. Attendance includes Board meetings and at least one committee meeting. Board asked that staff run a Board orientation meeting after the Annual Meeting.

05/01

Ithaca Hours. Our holdings are continuing a downward trend but HOURS have not reduced to the \$5000 limit set by the Board. The Board APPROVES the following change:

- r. Reduce the acceptance of HOURS for fee payments to a maximum of \$100 in HOURS per event. This could occur when someone is paying the entire Business CENTS class fee, mortgage or business loan application fee in HOURS. Overdraft fees are already limited to \$20 in Ithaca Hours per month.

04/04

In 2001 we set up a special sub-account of UE, "The FHLB Special Reserve for Loans" in order to meet a membership standard of FHLB. The FHLB standards have changed, and their analysis only reviews total capital to assets. The Board APPROVES closing this account and transferring the money to back UE.

04/04

Ithaca Hours.

10. Last year the Board determined to reduce Alternatives' acceptance of Ithaca Hours due to our IH inventory increasing over the \$5000 limit. This action was postponed pending action by Ithaca Hours to assist us in reducing our holding.
11. The Board **APPROVES** allowing the overage to continue (since the amount involved is not a threat to Alternatives). Staff are directed to take non-extraordinary action to reduce the inventory. Staff will report to the Budget Committee quarterly.

04/02

NOMINATING

- Qualifications
- Must be an active member in good standing of CU
- Must not be an employee (w/in 24 mos), relation of Alternatives or affiliate or competitor or board member.
- There must be no real or potential conflict of interest
- With respect to a current board or committee member, frequent absenteeism will be construed negatively.
- Areas that require special attention
- Balanced skills of Board: Working knowledge of business law, budgeting, accounting, financial management, human resources, fundraising, administration, public service, volunteer work.
- Diversity representative of Alternatives membership
- Enthusiasm and interest in the continued successful operation of Alternatives and the credit union movement.
- Ability to attend the monthly board meetings, committee meetings, strategic planning meetings, and approved training meetings.

04/02

BOARD CONTINUING EDUCATION. Each Board member must

1. Familiarize themselves with Managements' and volunteers' biographies, Bylaws and Board policies, Business Plan, description of affiliate and correspondent organizations and associations, Monthly reports and Board meeting materials, A visit with top management and a tour of the credit union,- must attend an orientation
2. Regularly attend Board and Committee meetings
3. Complete the three core modules and the three required modules Volunteer Achievement Program (VAP) within three years.
4. Complete one day of training per year (annual meeting to annual meeting). Qualifying training includes: self study, Audio/ video, seminar, conference and League or chapter meetings, teaching or presenting and networking.
5. Attend one national conference every three years.

04/02

1. Board members should notify CEO in advance when they will not be attending a scheduled Board meeting.

2. Committees will each have a staff liaison
3. Board members serve on two committees
4. Participation on committees of volunteers other than Board members is encouraged.
5. Committees can be the training ground for prospective Board members.
6. President will contact Board members who have missed four meetings in a year.
  - a. Regulations allow the Board to declare a Board seat vacant after three consecutive absences.
7. The HR Director will report to Board (Feb, May, Sept)
  - (1) Reminders of training obligation
  - (2) Notice of Upcoming training opportunities and
  - (3) Accolades for training accomplished.

03/10

#### Committee Rules

8. Meeting times set at convenience of Board
9. Staff publish agenda at least one day in advance
10. Strong volunteer Chair
11. Chair interaction with Staff liaison before each meeting.
12. Committee Chair presents issues and staff meeting
13. New committee member orientation by Staff liaison
14. Content
  - a. To the back of the bus: old business, routine reports, standard discussions
  - b. To the front: Theme, sense of direction, this needs attention, abnormal, tell a story, Tie it back to goals and mission

03/09 (This never went into effect!, rescinded 3/11 and 2005/04)

Budget Committee recommends and Board APPROVES accepting 50% HOURS for fees and accepting one HOUR from each member per month in loan payments, effective December first.

02/12

free membership to non-members who qualify for VITA free tax assistance.

01/11

#### BOARD POLICY ON NET CAPITAL

The Board shares NCUA's interest in the proper development of secondary capital. We recognize secondary capital as a tool for managing growth and protecting the share insurance fund. In addition to our target of 7.5% net capital, our Board has set a minimum threshold for core capital (non-secondary) at 6% (defined as "adequately capitalized" by NCUA).

01-09

Set up a special sub-account of UE This is the option suggested by examiner Phil Ricci and preferred by the Budget Committee. The Board **APPROVES** closing the Regular Reserve and creating a "Special Reserve for Loans" account that will be funded to meet the FHLB standard.

01-07

We are ready with the final, final, final Fixed Asset Waiver request for NCUA. The Board

strongly supports and **APPROVES** two related policies, as follows:

**BOARD POLICY ON PROGRAM TERMINATION.** Our Board Policy is that every time a program is unfunded, the Board will be notified by Staff. The Board will review the whole picture: existing and alternatives funding resources, program priorities, net income produced, expenses avoided, ALM, member relationship, competitive advantages produced, fees generated, potential for future grants, integration and support of other products, marketing value, member value, and convenience. The Board will consider the totality of circumstances and will cut programs when the costs exceed the benefits. This Credit Union will continue to be managed to produce "well capitalized" capital levels.

**BOARD POLICY ON NET CAPITAL.** The Board shares NCUA's interest in the proper development of secondary capital. We recognize secondary capital as a tool for managing growth and protecting the share insurance fund. In addition to our target of 7.5% net capital, our Board has set a minimum threshold for core capital (non-secondary) at 6% (defined as "adequately capitalized" by NCUA).

01/07

The Board **APPROVES** an investment of \$35,000 in the Community Investment Fund, (based on asset size, 1/10 of 1% equals \$35,000) for the National Credit Union Foundation

01/07

Two Cent Table in Lobby. We have planned to have a 2 Cent Table in the lobby of our new building. The idea would be to encourage members to take political actions around issues of economic development. During their visit, UFE expressed interest in sharing this forum.

15. How it would work. We would have a table in our lobby where the kid's lego table now is. The table would be manned by volunteers from a group promoting an issue.
  - a. The issue would:
    - i. be limited to Capital led economic development, local investment, responsible Business practices. The issue would have to agree with standing CU policy and support a Board approved CU stand.
    - ii. Not include religious, electoral, labor organizing or issues unrelated to the Cus mission.
  - b. The organization would
    - i. Have an agreement with the CU, including a prior review of materials by the CU
    - ii. Have materials to hand out
    - iii. Have petitions to sign
    - iv. Not engage in fundraising
    - v. Be non-aggressive and let members approach them.
    - vi. Not be in the lobby during the busiest times (Friday, day before and after a holiday.)
    - vii. Orient staff on the issue
  - c. The Credit Union would
    - i. Provide a table and stool
    - ii. Promote the issue

01-05

The Board approved a resolution that this committee serve as the Development Committee for the Alternatives Group, and have the authority to give tentative approval to applications for new funding/new programs if the deadline precludes initial Board approval.

00/06

Board **APPROVES** giving a free-membership coupon to participants in the CEO and MWMW classes.

99/11

The Board **APPROVES** increasing the FSA Medical deductible limit from \$3000 to \$4000 per staff person.

99/11

Donation policy, Education Committee

- d. The contribution policy has been to make donations within the Alternatives Credit Union community in amounts ranging from \$25-\$100. Leni has followed this policy, using her discretion by giving smaller amounts to individual's requests (sponsor me for...) and larger amounts to larger organizations or one's whose missions most closely align with ours.
- e. Since our size and stature has grown, Leni asks that contributions at her discretion increase to \$200. After discussion about our being a non-profit and receiver our grants ourselves, and the expectation about our community role, the committee agreed and the Board **APPROVES** a higher donation limit. The will engender a request for a larger donations line for the 2000 budget.
- f. If there is reason to consider requests from organizations that do not meet the policy, Leni will bring to the Education committee for review and recommendation to the Board.

99-06

Reminder. NCUA Bylaws. Section 7. If a director member fails to attend regular meetings of the board for 3 consecutive months, or otherwise fails to perform any of the duties devolving upon him/her as a director, his/her office may be declared vacant by the board and the vacancy filled as herein provided.

97/02

401k retirement plan has been reviewed and approved by the staff, budget committee and Personnel Committee, all with recommendations for Board approval. The Board **APPROVES** the plan, as outline below.

16. Eligibility changes from three years to after one year
17. Vesting occurs after three years
18. CU will match first 3% staff contribute
19. CU will budget for an additional 4.5%, the discretionary "Profit" amount to be reviewed by the Board before April 15<sup>th</sup> of the subsequent year.
20. The actual Profit Sharing Plan is set forth in the Nationwide Life Insurance Company

Prototype Retirement Plan and Trust, effective as of January 1, 1997.

21. The officers of the Corporation are hereby authorized and directed to perform all acts, sign all documents necessary to put said plan into operation, and to secure the approval of said plan by the Internal Revenue Service so that said plan may qualify under Section 401(a) of the Internal Revenue Code of 1986, as amended;
22. William Myers and Leni Hochman are hereby appointed as Trustees and, upon acceptance by executing the Adoption Agreement of said plan, are directed to assume ownership of all trust assets.

During 1994-1996 the Credit Union made 7.5% discretionary contributions to employee SEP retirement accounts.

23. In 1997 we switched to a 401K retirement plan. This plan had a 3% match from the Credit Union plus up to a 4.5% discretionary contribution.

96-06

Manager's home computer. The 1995 Manager review committee suggested that because of the amount of CU work Bill does at home on his computer, the CU should pay to keep this computer up to date. The APPROVED expense level is not to exceed \$2000 annually.

96-01

We accept Hours for all fees and One hour per loan payment. The Board has limited Credit union exposure to risk by capping the total of the Hour account at \$5,000. Here is an analysis of our record with Ithaca Hours during 1995.

We could use more hours if we had them. Since receipts of hours are not tracked by type of payment, the precise impact is hard to gauge.

The Board **APPROVES** raising limit to two Ithaca Hours per loan payment.

94-04

Attendance at Board and Committees

Discussion on previous policy of President asking a Board member to resign after three consecutive absences. This will continue to be Board policy. Again, attendance is a personal responsibility accepted with the Board position. Attendance includes Board meetings and at least one committee meeting. Board asked that staff run a Board orientation meeting after the Annual Meeting.

94-02

Board lunch quarterly

The Executive Committee would like a regular opportunity to meet informally with Bill. They suggest a quarterly luncheon, no agenda, no actions, staff and volunteers invited.

93/11

Ithaca Hours for \$10 of loan payment

For a couple of years, we have accepted Ithaca Hours for most of the fees we charge. Ithaca Hours is a successful local community development program. We always have more need for hours than incoming hours. Hours have been good marketing as well. Bill would like to expand our acceptance of hours to include up to one hour per monthly loan payment. Hours have not

been a burden on our operational system. We would keep in place our limit of a maximum of \$5,000 in Hours accumulated at any time. This initiative is **APPROVED**.

93/11

Loans to Staff will be reviewed by the appropriate Loan Officer who will make a recommendation of action to Manager.

Loans to Officials and Manager will be reviewed by the appropriate Loan Officer who will make a recommendation of action to Board of Directors.

93/11

Ithaca Hours for \$10 of loan payment

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93/04

Ithaca Hours

Hours are a local currency that encourages a local economy. A couple of years ago the Board approved accepting Ithaca Hours for teller fees with a limit on the amount of Hours the CU could hold at one time. Since then we have collected about \$150 per month in Hours, and had a strong demand for them. Bill thinks we can spend considerably more Hours if we had them. Proposal: Accept Hours for the following loan fees: mortgages application, business loans origination, loan late fee and LOC annual fees. Keep limitation on total amount of Hours on hand. **APPROVED**,

91/10

Membership fee - Budget committee recommends increasing to \$10. Staff reports more understanding of need for raising, but would like a \$5 low-income option. **APPROVED** : \$10 membership fee; staff may decide on how to implement a \$5 low-income fee.

91/10

Accept 1/2 Ithaca Hour as payment for new membership. Okay with Board, pending more information from legal counsel.

91/02

PROFIT SHARING FORMULA SUGGESTION

The Board approved adding a cooperative profit sharing element to compensation during 1991. The Budget, Personnel, and Goals Committees have reviewed this proposal.

GOALS of profit sharing: Allow the staff to participate in exceptional performance. Encourage staff to become more familiar with their part of the budget. Encourage team work.

91/02

Fees for Abandoned Official checks

Karl has suggested that we adopt the same fees for abandoned checks that we have for low balance dormant accounts. Board **APPROVES** the \$10 per year fee for checks not cashed within the 90 days.

91/01

Loans to officials must be approved by BoD before disbursal. Committee endorses telephone poll to get a quorum approval when time is a problem.

90/12

**DOLLARS FOR DREAMS, \$2**

The AFCU member kids joining the new youth Credit Union have protested paying the membership fee for both the youth and adult Credit Union. Move that the adult CU donate \$2 (of its \$5 membership fee) to Dollars for Dreams each time an AFCU member moves their account to Dollars for Dreams. - APPROVED

90/12

**, REIMBURSEMENT FOR BUSINESS AUTO USE**

Reibursment rate automatically tied to IRS mileage rate. -

90/12

**LOANS TO OFFICIALS**

Committee recommends a change in our procedure: Loans approved by Board BEFORE disbursal. NCUA regulations say "Board must approve any loan to a director or to a credit or supervisory committee member in excess of \$10,000 plus pledged shares". Our policy has been that a loan officer reviews loan requests, makes decision, and then informs the Board of any loan. The Board reviews decision. With this change the LO reviews and recommends to Board, which approves loan. The Board may want to set up an emergency procedure for telephone polling of quorum.

90/10

85/15 split for health insurance between Alternatives and staff

89-10

The Credit Union, as an organization, does not endorse candidates in electoral politics at any level, national, state, or local. Any statement or expression of support by Alternatives staff and volunteers should be construed as personal statements and not the endorsement of the organization.

(2) The Credit Union, as an organization, is free to take positions on a broad range of political issues related to its Mission Statement and its traditions. For example, the organization is free to take positions on issues related to community development, ethical investment, the rights of draft resisters to credit, the rights of low income people to non-prejudicial banking services, etc. Alternatives should not take positions on political issues that are not directly or indirectly related to its mission. All statements of policy should have implicit or explicit approval of the board as the representatives of the membership.

(3) The political rights of Credit Union staff shall in no way be abridged to either endorse candidates or express themselves on issues at work. These rights include wearing on their person statements, or endorsements, or expressions of preference on issues. Outside of work, staff are free to do as they wish (within the confines of the policies presented in the Employee Handbook). Membership should understand that employees speak for themselves.