

**17-2209. Directors to elect officers; duties of board; executive committee.** (a) At the first meeting and at each first meeting in the fiscal year following the annual meeting of the credit union, the board of directors shall elect from their own number an executive officer who may be designated as chairperson of the board or president, a vice-chairperson of the board or one or more vice-presidents, a treasurer and a secretary, of whom the last two may be the same individual, and the persons so elected shall be the executive officers of the corporation. The board of directors may employ an officer in charge of operations whose title shall be either president or general manager; or, in lieu thereof, the board of directors may designate the treasurer or an assistant treasurer to act as the officer in charge of operations and be in active charge of the affairs of the credit union.

(b) The board of directors shall have the general management of the affairs, funds and records of the corporation, and unless they shall be specifically reserved to the members it shall be the special duty of the directors:

(1) To act upon all applications for membership and on the exclusion of members. The board of directors may, however, delegate authority to a membership officer or officers to approve applications for membership under such conditions as it prescribes not inconsistent with the bylaws or law of the state. The membership officer or officers may approve but not reject, applications for membership. All unapproved applications shall pend until the board acts upon them.

(2) To determine, from time to time, rates of interest which shall be charged on loans and to authorize interest refunds, if any, on such classes of loans and under such conditions as the board prescribes.

(3) To acquire surety bonds, the amount and type of which shall be subject to the administrator's approval.

(4) To fix the maximum number of shares which may be held by, and the maximum or minimum amount which may be loaned to, any one member; to establish the policies of the credit union with respect to the granting of loans and the extending of lines of credit; to set such limits and balances as required for services which are to be applicable to all members in a category; and to recommend or approve amendments to the bylaws.

(5) To fill vacancies on the board of directors and credit committee until the election and qualification of successors and to fill vacancies in the supervisory committee if the bylaws so allow.

(6) To have charge of the investment of funds of the credit union, other than loans to members, except that the board may designate an investment committee or any qualified individual to have charge of investments under conditions established by the board; to authorize donations for civic, charitable, scientific, literary or educational purposes; to set fees and charges for the credit unions' services and to establish policies for their application; and to perform such other duties as the members may, from time to time, authorize.

(7) To meet at least six times each year with at least one meeting in each quarter-year period.

(c) No member of the board of directors or of the credit or supervisory committee shall receive any compensation as a member of the board or committee. The provision of reasonable life, health, accident, disability and similar insurance protection for a director or committee member shall not be considered compensation. Directors and committee members, while on official business of the credit union, may be reimbursed for necessary expenses incidental to the performance of the business. The credit union may compensate any director, committee member or officer for loss of salary or wages due to the performance of business on behalf of the credit union. No salary shall be paid to any officer or other employee of a credit union except such as may have been duly approved by the board of directors.

(d) If provided for in the bylaws, the board of directors may elect an executive committee of not less than three board members. Such executive committee shall have and be able to execute such powers, duties and responsibilities of the board of directors as the bylaws may provide at such times other than regular or special meetings of the board of directors. Meetings of the executive committee shall not be counted to fulfill the requirements of paragraph (7) of subsection (b).

**History:** L. 1929, ch. 141, § 9; L. 1951, ch. 204, § 3; L. 1957, ch. 152, § 3; L. 1963, ch. 140, § 2; L. 1965, ch. 153, § 2; L. 1968, ch. 160, § 6; L. 1973, ch. 94, § 1; L. 1982, ch. 102, § 5; L. 1992, ch. 225, § 3; July 1.