



NATIONAL INSTITUTES OF HEALTH FEDERAL CREDIT UNION



BOARD OF DIRECTOR NOMINATION PACKET



November 2018

RE: National Institutes of Health Federal Credit Union Board of Directors Nomination Packet

Dear Credit Union Member,

Thank you for your interest in serving as a member of the National Institutes of Health Federal Credit Union (NIHFCU) Board of Directors. **The NIHFCU has 3 Director positions that are open for election;** these positions are on a volunteer basis and are non-compensated. If you are interested in serving as a Director, please apply by completing the process as described below. You must meet all established deadlines to be eligible for consideration.

To be considered for the 2019 Board of Directors election ballot, please submit (with signature) the enclosed NIHFCU Nomination Packet form and Application Packet, including your 300-word professional biographical summary to the Nominating Committee no later than November 30, 2018. We recommend the biographical summary include the number of years that you have been a NIHFCU member, and any additional information you deem relevant for consideration by the Nominating Committee in support of your candidacy.

Once the Nomination Packet forms and requested information have been completed, send the materials and/or questions to nominations@nihfcu.org. All materials submitted will become the property of the NIHFCU and will not be returned.

Nomination Process:

The Nominating Committee will review all submissions for completeness and accuracy and for appropriate background and skills that will complement the current Board of Directors. You may be asked to provide your resume or personal vitae.

The Nominating Committee may also ask required applicants to be present for an interview at a time, date and location of the committee's choosing, if necessary to complete their selection process. Failure to provide resume or personal vitae, to appear for an interview, if requested, may result in forfeiture of eligibility for candidacy. If you are selected by the Nomination Committee, at the end of the nomination period, the Committee will file its nominations with the Secretary of the Board of Directors and the names will be placed on the ballot.

Petition Process: All decisions of the Nominating Committee are final. However, if you are not chosen by the Nominating Committee, you can petition to get your name on the ballot. Information on the petition process will be provided to the NIHFCU membership in early January 2018.

Thank you again for your interest.

Sincerely,

Cheryl Stevens - Chair, NIHFCU Nominating Committee

National Institutes of Health Federal Credit Union Board of Directors Nomination Packet

This overview will explain the NIHFCU Board of Directors requirements for nomination, time commitment, and training involved in becoming a productive Director on the Board.

NIHFCU Vision Statement

Be the preferred provider of financial services for members of the biomedical and healthcare communities and their families.

NIHFCU Mission Statement

To provide our members with exceptional service, financial advice, and banking solutions that exceed expectations and enhance their lives.

Nomination Requirements

To be eligible, you must meet the following criteria:

- Own at least one full (\$25.00) paid share. Membership for a minimum of one year is preferred.
- Be at least 18 years of age at time of application
- Have not caused a previous loss to the NIHFCU
- Be bondable
- Have no past criminal history. A background check may be conducted.

Time Commitment

Board terms are for three years, and if you are voted onto the Board, you will also commit to:

- Familiarizing yourself with credit union policies, bylaws and regulations, and having an understanding of the NIHFCU's balance sheet and income statement;
- Carrying out duties as a Director in good faith, in a manner you reasonably believe to be in the best interest of the membership; and,
- Spending 5-10 hours per month preparing for and attending Board meetings, assigned committee meetings, and special planning, training and informational sessions. Additionally, Board members are required to attend a 2-3 day annual planning retreat. The retreat is usually scheduled during the late spring or summer months.

Training for Directors

New and current volunteers will receive numerous opportunities to upgrade their skills and knowledge. New Directors will receive training, and will have six months from their appointment or election to the Board of Directors to be able to answer basic financial questions as detailed in the Board of Directors job description.

Additional educational opportunities may also include but not limited to monthly credit union publications, NIHFCU provided training, and through the self-study courses offered through the Credit Union National Association.

The Nomination Packet contains the following documents:

- Board of Directors Job Description
- Board of Directors Nomination Form
- Board of Directors Application



Board of Directors Job Description

Title: Director

Reports to: National Institute of Health Federal Credit Union (NIHFCU) Members

Supervises: President /Chief Executive Officer

Primary Function

To set policy, plan the NIHFCU strategic direction, ensure the NIHFCU maintains its sound financial condition, keep communication open, educate members on services, review and supervise the President /Chief Executive Officer's progress in achieving goals and objectives, and report to members at the annual meeting.

General Duties of Directors

1. The Board of Directors is responsible for the general direction and control of the NIHFCU. The Board may delegate operational functions to Senior Management, but not responsibility for ensuring the credit union operates with the highest ethical standards in accordance with all applicable Federal and state laws and regulations.
2. A Director must carry out his/her duties in good faith, in a manner reasonably believed to be in the best interest of the membership, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.
3. A Director must administer the affairs of the NIHFCU fairly and impartially, and without discrimination in favor of, or against, any particular member.
4. A Director must have at least a working familiarity with basic finance and accounting practices, including the ability to read and understand the NIHFCU's balance sheet and income statement, and the ability to ask, as appropriate, substantive questions of management and auditors.
5. A Director must conduct the operations of the NIHFCU in conformity with the Federal Credit Union Act, NCUA's Rules and Regulations, other applicable laws, and sound business practices.
6. A Director may rely on information prepared, or presented by, employees or consultants he/she reasonably believes to be reliable and competent, and who merit confidence in the particular functions performed.

Duties and Responsibilities

1. Approve the proper bond and fidelity coverage for officers and employees.
2. Fill vacancies on the Board until the next annual meeting.
3. Hire a President/CEO and determine responsibilities and compensation.
4. Declare all dividends and establish lending policies.
5. Establish and amend, as approved by NCUA, the field of membership of the NIHFCU.
6. Afford for an annual meeting and election of officers.
7. Authorize the charge off of delinquent loans.
8. Appoint, control and direct the financial officer who will have custody of all funds, securities, papers and assets of the NIHFCU.

Individual Director's Primary Responsibilities

1. Understand, support and promote the NIHFCU's vision, mission, values and strategic direction, as well as its products and services.
2. Follow trends and important developments in the financial services industry and the NIHFCU's marketplace; be aware of local and national economic and social trends, and their possible effects on the NIHFCU.
3. Contribute proactively and constructively to the Board's success in carrying out its governance responsibilities as described; hold self and the Board accountable for acting to ensure the long-term competitive success of the NIHFCU.
4. Prepare for, and actively participate in, Board meetings; meet the Board's established attendance requirements.
5. Actively participate on at least one standing Board Committee.
6. Be objective, exercise independent judgment, ask questions, and request information in advance that is needed to make informed decisions; seek to achieve consensus on important Board matters.
7. Avoid, in fact and in perception, conflicts of interest that might embarrass the Board or the NIHFCU, and disclose to the Board, in a timely manner, any possible conflicts.
8. Focus attention on long term and significant policy issues, rather than short-term administrative matters.
9. Respect the responsibility of the President/CEO to manage the staff and operations of the NIHFCU; ensure that any communication with staff below the President/CEO level does not undermine the relationship between the President/CEO and the staff or Board.
10. Complete all Board and Committee assignments in a responsible and timely manner.
11. Demonstrate a willingness to learn; fulfill the educational requirements established by the Board; attend and participate in conferences and educational workshops.

12. Visit the NIHFCU's office and branches to observe the daily business operations, meet the staff, and gain first-hand perspective on member services and operational issues.
13. Maintain open communication with other Board members, and the President/CEO and staff; promote relationships built on respect and trust; respond to requests for advice and assistance in a timely and helpful manner.
14. Take advantage of opportunities to enhance the NIHFCU's public image and market its services in the community and with sponsor officials.
15. Respect the confidentiality of members' business with the NIHFCU.
16. Act at all times in the best interests of member-owners and -customers.

The Board of Directors has appointed officials: Chair, Vice Chair, Secretary, and Treasurer that guide the Board of Directors.

Chair, Board of Directors Duties

Primary Function

To act as the chief elected official of the NIHFCU. Preside at all meetings of the Board and member meetings.

Specific Duties

1. Lead all meetings of the Board and member meetings.
2. Assign Directors to Board Committees. Initiate the formation of Committees not required by law.

Vice Chair, Board of Directors Duties

Primary Function

To exercise all duties of the elected chair when the chair is unable to perform them.

Specific Duties

Exercise the duties of the elected chair when that person is unable to perform them.

Secretary, Board of Directors Duties

Primary Function

To oversee the preparation, maintenance, and completion of records of all meetings of the members, and of the Board.

Specific Duties

1. Prepare and maintain full and complete records of all meetings of members and of the Board within 7 days of each meeting.
2. Prepare and send out notices of meetings to be held.
3. Perform other duties as noted.

Treasurer, Board Member Duties

Primary Function

To monitor the financial management of the credit union subject to limitations, controls and delegations the board may impose.

Specific Duties

1. The Board Treasurer shall prepare and provide, or cause to be prepared and provide, appropriate reports to the members of the Credit Union.
2. The Board Treasurer shall also perform any other duties as directed by the Board not inconsistent with applicable law and these Bylaws.
3. The Treasurer is responsible for overseeing management activities to assure the accuracy and safekeeping of all assets including funds, securities, bank papers and any other items of value.

Board of Directors Responsibilities

1. Represent the best interests for members, who are both owners and members.
2. Provide on-going strategic leadership, sustaining and supporting the NIHFCU's vision, mission, values, and strategic direction.
3. Approve the NIHFCU's Strategic Plan, the annual business plan and budget consistent with the strategic plan.
4. Request approval of charter and non-standard bylaw amendments.
5. Elect Board officers and fix compensation of specified officer.
6. Actively promote board development.
7. Appoint Supervisory Committee.
8. Appoint and manage the NIHFCU's Chief Executive Officer.
9. Appoint Executive and other committees.
10. Appoint Loan Officer(s).
11. Approve a Membership Officer to act on membership applications.
12. Approve Security Officer and supervise security program.

13. Approve and maintain oversight of operating policies and procedures to ensure they are in accordance with legal and regulatory requirements and consistent with the NIHFCU vision and strategic direction.
14. Approve loan policies regarding loan maximums, interest rate, maturity, and security.
15. Approve collection policies and procedures, and fix late charges.
16. Maintain a records preservation program.
17. Meet at least monthly and maintain Board meeting minutes.
18. Plan and hold the annual meeting, report to members, and maintain minutes.
19. Determine classes of accounts and fix maximum individual share limit, when appropriate.
20. Designate depository funds.
21. Authorize investments and borrowing.
22. Declare dividends and interest refunds.
23. Determine surety bond needs at least annually.
24. Authorize necessary insurance.
25. Provide necessary service facilities.
26. Act on loans to Directors and Supervisory Committee Members in excess of \$20,000.

Basic Financial Skills Required

At a minimum, a Director will be able to examine the NIHFCU's balance sheet and income statement, and will be able to answer the following questions:

1. What does this line item mean?
2. Why is it important to the credit union?
3. Is the value of the line item changing over time? If so, what does that change (either positive or negative) mean?
4. Is the change important to the credit union?

Standard of Performance

1. Maintain NIHFCU membership in good standing and meet all NCUA-established Director requirements as noted in Section 1761 of the Federal Credit Union Act. Adhere to requirements of the NIHFCU Bylaws, as enacted and modified.
2. Professional background in a discipline important to the NIHFCU's success, e.g., finance, planning, marketing, customer service delivery, human resources, information systems, etc.
3. Management-level experience.
4. Familiarity with the financial services industry, and an understanding of the basics of the business, and how a credit union achieves profitability, builds capital, develops and prices products, delivers service, and in general, mediates between savers and borrowers.
5. An understanding of the basics of strategic and business planning.

6. Willingness to speak up, to objectively consider and debate alternate or opposite points of view, to raise difficult issues, and to engage in reaching consensus on important issues.
7. Willingness to commit time and actively participate, both in attendance and in meeting contributions.
8. Ability to balance the need for managing the NIHFCU as *a business* with the need to understand and be responsive to the short and long-term interests of the NIHFCU's members and customers.
9. Good problem-analysis and decision-making skills.
10. Willingness to be accountable for results.
11. Good teamwork and group process skills.
12. Decisive, proactive and action-oriented.
13. Commitment to the ideals and values of the credit union movement, and desire to contribute to the movement's continued viability and growth.

Removal from the Board

While all credit unions hope they will never have to remove a Director from office, and in fact this is uncommon, it is sometimes necessary. In a federal credit union, a Director may be removed from office in one of three ways.

1. A majority vote of the members present at a special meeting called for that purpose may cause a Director's removal. The Director must first have an opportunity to speak in his/her defense.
2. If a Director fails to attend regular meetings of the Board for three consecutive months, or otherwise fails to perform his/her duties, that office may be declared vacant by the Board. A new Board member is appointed to fill that position.
3. By unanimous vote, the Supervisory Committee may suspend any Director until the next meeting of the Board. Such a suspension must be upheld by a vote of the members in a special meeting held seven-to-fourteen days after the suspension.



Board of Directors Nomination Form

I, _____, am a member in good standing and meet the eligibility criteria, so do hereby submit my name as a candidate for the vacant DIRECTOR position on the NIHFCU Board of Directors. I have read and understood the duties and responsibilities as defined in the Job Description, Terms of Agreement Form, Nomination Form and Application.

I understand the election will be held at the Annual Meeting to be held on April 23, 2019 at 12:00 PM at the NIH Building 1, Wilson Hall.

By signing below, I

1. agree to complete the requested materials and forms, per the Nomination Packet details.
2. ask for consideration by the NIHFCU Nominating Committee to be placed on the NIHFCU ballot for a position on the Board of Directors, and agree to serve if elected;
3. affirm that I understand and agree that my appearance on the ballot is determined by the Nominating Committee, and that their decision is final unless I subsequently submit a petition. Information on the petition process will be provided to the NIHFCU membership in early January 2019;
4. affirm that I am a member in good standing with the NIHFCU;
5. affirm to the best of my knowledge that I am bondable and will not be refused bond for any reason;
6. authorize the NIHFCU to conduct a verification of my background and character to ascertain my eligibility to stand for elective office;
7. authorize the NIHFCU to publish my photograph and biographical information on the election ballot, and in other NIHFCU publications as needed; and
8. acknowledge that inaccurate or inconsistent information provided by me may negatively impact my eligibility as a candidate, or to serve as a volunteer/official, if elected.

To the best of my knowledge, I do not have any personal or professional conflict of interest, in fact or appearance, which would adversely affect my ability to serve on the Board of Directors.

Please sign and date to confirm your intent and understanding of the above conditions and provide this form and the Board of Directors Application to nominations@nihfcu.org.

Signature: _____

Printed Name: _____ Date: _____

Phone: _____ Email: _____

This Board of Directors Nomination Form must be submitted by November 30, 2018.



Board of Directors Application

Member Information

Full Name _____

Number of Years as Member (at minimum 1 year of membership) _____

Physical Address _____

Mailing Address _____

Email Personal _____ Email Work _____

Preferred: Personal ___ Work ___

Contact Phone Numbers:

Home _____ Work _____ Cell _____

Preferred: Home ___ Work ___ Cell ___

Employment

Current Title _____ Years Employed at Current Employer ___

Current Employer /Retired From _____

Work Address _____

Note: The Nomination Committee may request a resume or personal vitae after reviewing this application.

Professional Biographical Summary: please include a 300 word (maximum) professional biographical statement in the space provided.

Community Service

Current or Previous Board Level Experience, if applicable:

1. Organization Name _____
Position Held _____
Dates _____
2. Organization Name _____
Position Held _____
Dates _____
3. Organization Name _____
Position Held _____
Dates _____

Financial Services Experience:

Held a position at a financial institution (employment or volunteer): Yes ___ No ___

If yes, list financial institution(s):

1. Organization Name _____
Position Held _____
Address _____
Employment Dates _____
2. Organization Name _____
Position Held _____
Address _____
Employment Dates _____

Personal Statements

Why do you wish to become an NIHFCU Board of Director?

What special qualifications would you bring to the NIHFCU Board of Directors?

References

Please provide up to three professional references:

Name _____ Your relationship _____

Address _____ Phone _____

City, State & Zip _____

Name _____ Your relationship _____

Address _____ Phone _____

City, State & Zip _____

Name _____ Your relationship _____

Address _____ Phone _____

City, State & Zip _____

Certification

- I certify that the information in this application is true and correct, and I authorize the NIHFCU to investigate and verify any and all of the information.
- I understand the NIHFCU will gather employment information considered necessary and appropriate.
- I understand that the NIHFCU may perform a consumer credit report and a criminal background check as considered necessary and appropriate.
- I understand that the NIHFCU will retain this application whether or not I qualify for nomination with the understanding that it will be held in the strictest confidence.
- I agree to serve if elected to the NIHFCU Board of Directors.

Signature: _____

Printed Name: _____ Date: _____