**1520.20: Associate Board Member Procedures**

*Credit Unions should reach out to their League/Association to learn more about potential leadership development programs, mentorship programs, job boards to assist with recruitment, executive search services, volunteer training and governance guidance, and DEI initiatives for development and recruiting.*  
**Model Content Date: 05/06/2025**

The purpose of the Associate Board Member is to train and educate potential Board members as a succession planning tool for vacancies on the Board of Directors. Board members of [Credit Union] are required to have a certain amount of training, knowledge and skills. Experience with the Associate Board Member program allows candidates to become familiar with Board meetings and processes and sets the Credit Union up for proper succession and a seamless transition in the event of a Board member departure in accordance with Credit Union bylaws.

**Qualifications**

In order to be an Associate Board Member, the individual must:

* Be a member of the Credit Union.
* Be at least 18 years of age.
* Not be a paid employee of the Credit Union.
* Be eligible to vote in the Credit Union elections and at membership meetings.
* Be committed to always acting in the best interests of the Credit Union and putting aside personal and professional interests for the good of the Credit Union in compliance with the code of ethics.
* Have 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 the ability to ask, as appropriate, substantive questions of management and auditors.
* Conform with the Federal/State Credit Union Act, NCUA’s Rules and Regulations, other applicable laws, and sound business practices.
* Comply with the nonprofit board of directors’ primary legal duties including the “duty of care,” “duty of loyalty,” and “duty of obedience.”
* Be informed of the Credit Union’s missions, values and initiatives.
* Attend regular board meetings and functions.
* Provide undivided allegiance when making decisions and providing guidance affecting the credit union.

**Term**

Associate Board Members will run on one (1) year terms and are eligible to run for successive terms.

**Expectations**

In order to be an Associate Board Member, the individual must:

* Understand and agree that the Associate Board Member position is a non-voting position.
* Understand that an Associate Board Member position does not guarantee an individual will be nominated or elected to the Board of Directors.
* Participate in discussions about matters that come before the Board of Directors.
* Attend monthly Board meetings and other committee meetings as assigned, except for executive sessions. Each Associate Board Member will be allowed up to two (2) excused absences during each term
* Read and review the monthly board packages and materials.
* Serve as the Credit Union’s ambassador and an ambassador of the credit union movement, generally.
* Annually sign and agree to the Credit Union’s Code of Ethics and Confidentiality Agreement to maintain the confidentiality of Credit Union affairs and information related to Credit Union members.
* Escalate any potential conflict to the Board chair immediately.

**Removal from Positions**

The Associate Board Member position serves at the will of the Board of Directors and can be removed at any time without cause. The Associate Board Member understands that if they close their membership with the Credit Union, they automatically resign their position. In addition, removal may also occur if the Associate Board Member:

* Causes a loss to the Credit Union.
* Is unable to be bonded for all activities of the Credit Union.
* Has a known conflict of interest.
* Refuses to sign the Code of Ethics and/or Confidentiality Agreement.
* Do not meet or violate the terms of their role.