

California and Nevada Credit Union Leagues

UNIFORM CHAPTER GUIDELINES

Effective as of 05/28/14

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UNIFORM CHAPTER GUIDELINES

PART I. PURPOSE AND AUTHORITY

1. Purpose. The purpose of each chapter shall be:

To foster community involvement and cooperation among, and development of, credit unions and credit union personnel and volunteers in the state and to support the California and Nevada Credit Union Leagues in fulfilling their mission.

2. Authority. The California Credit Union League or Nevada Credit Union League, as applicable, ("League") Board of Directors may, in its discretion, establish chapters of the League in its state, define or modify their boundaries, or dissolve any such chapter. The Board of Directors may adopt and amend Uniform Chapter Guidelines, which shall be binding on chapters upon written notice to the Chapter Chairman or Chapter Secretary. The Board of Directors may authorize League staff to adopt such additional goals, procedures and forms as it deems appropriate consistent with the Uniform Chapter Guidelines to govern the operation and activities of chapters, and to which all chapters shall be bound.

On matters not specifically addressed by the League Board of Directors or League staff, the chapters shall be responsible to adopt reasonable policies and procedures not inconsistent with the League Bylaws and the Uniform Chapter Guidelines.

PART II. MEMBERSHIP AND VOTING

1. Regular Members. Any Regular Member Credit Union of the League whose principal office is within the chapter boundaries may become a Regular Member of the chapter upon written notice to the Chapter Secretary confirming its eligibility. The officials and employees of a Regular Member of the chapter may participate in chapter activities and hold chapter office.

2. Associate Members. Any Regular or Associate Member Credit Union of the League whose principal office is outside the chapter boundaries but who maintains a branch office within the chapter boundaries may become an Associate Member of the chapter upon written notice to the Chapter Secretary confirming its eligibility. The officials and employees of an Associate Member of the chapter may participate in chapter activities and hold chapter office.

3. Membership in Multiple Chapters. A credit union may be a Regular Member and/or an Associate Member of more than one chapter if it so qualifies. Such credit union shall have the right to vote and hold office regardless of membership in any other chapter.

4. Change in Chapter Affiliation. A credit union may change its chapter affiliation to a chapter in which it would not otherwise be qualified for membership upon giving written notice to the League.

5. League Membership Status. Termination of League membership shall automatically result in the termination of chapter membership.

6. Voting Rights. Each Regular or Associate Member of the chapter shall have one (1) vote in all matters coming before the chapter. In elections for the board of governors, each Member is entitled to cast only one (1) vote for each position to be filled. Cumulative voting is not permitted. It shall be the responsibility of each Regular and Associate Member credit union to designate one (1) individual authorized to vote on behalf of the credit union at any meeting or to cast any mail or electronic ballot on behalf of the credit union. He or she shall also represent the member credit union for purposes of establishing a quorum. The designated voter shall be required to certify his or her authority to vote on behalf of the member credit union before casting any ballot.

7. Official Notices. Any and all official notices from the chapter shall be directed to the President and CEO of each Regular and Associate Member credit union, or its equivalent, unless an alternative recipient is designated by the credit union with the Chapter Secretary.

PART III. BOARD OF GOVERNORS

1. Size and Composition. The board of governors shall consist of three (3) elected representatives, elected by and from the Regular and Associate Members, who shall serve as the chapter officers. At their first meeting, the three (3) elected governors shall appoint from among themselves a chairman, a secretary and a treasurer. No one person may serve as both chairman and treasurer. The chapter officers may, at their discretion, appoint any number of additional governors at large to assist in the operation and activities of the chapter, provided that the total of all elected and appointed governors must be an odd number.

2. Qualifications. To be elected or appointed to serve on the board of governors, an individual must be an elected or appointed official or an employee of a Regular or Associate Member credit union of the chapter.

3. Term and Term Limits. Governors shall serve a term of one (1) year or until their successors are elected or appointed. Governors elected or appointed mid-year shall serve until the end of the current term. A chapter may, at its discretion, establish or abolish term limits provided any such action is approved by the chapter membership.

4. Duties. The board of governors is responsible for planning and promoting the regular activities of the chapter, carrying out the goals established by the League, and shall have the general management of chapter affairs.

5. Chapter Officers. The chapter officers shall be responsible for appointing additional governors at large and/or committees as they deem necessary to carry out the regular activities of the chapter and the goals established by the League. In addition, the chapter officers shall perform the following duties:

A. Chairman. The Chapter Chairman shall:

- Preside at all meetings of the members and of the board of governors.
- Serve as an ex officio member without vote of all chapter committees.
- Ensure that the chapter is operating in compliance with the Uniform Chapter Guidelines.
- Oversee the activities and operations of the chapter.
- Perform such other duties as the board of governors may from time to time assign.

B. Secretary. The Chapter Secretary shall:

- Maintain a current list of Regular and Associate Member credit unions and keep attendance records for all meetings of the members and of the board of governors.
- Maintain a current roster of the board of governors, both elected and appointed, and provide a copy to League staff.
- Maintain accurate minutes of all meetings of the members and of the board of governors.
- Send at least seven (7) days prior written or electronic notice to the governors of all meetings of the board of governors, with a copy to the League.
- Send at least thirty (30) days prior written or electronic notice to each Regular and Associate Member of all meetings of the members or activities, with a copy to the League.
- Send to each Regular and Associate Member written or electronic notice of the results of chapter elections within ten (10) days after any election, with a copy to the League.
- Perform such other duties as the board of governors may from time to time assign.

C. Treasurer. The Chapter Treasurer shall:

- Maintain all chapter funds in the chapter account.
- Pay all obligations incurred by the chapter.
- Maintain accurate and complete records of all receipts and disbursements.
- Present the current bill each month to the board of governors for approval.
- Keep a list of all property owned by the chapter and who has possession of each item.
- Ensure an annual audit of financial records.
- Perform such other duties as the board of governors may from time to time assign.

6. Meetings. The board of governors shall meet in person, by telephone, or by other electronic means, as frequently as required to conduct the affairs of the chapter.

7. Quorum. A majority of the seated governors present at any meeting shall constitute a quorum.

PART IV. ELECTIONS

1. Timing. Every year on or before October 1, each chapter shall elect three (3) governors to serve as officers for the following year. Additional governors at large, if any, must also be appointed by the chapter officers on or before October 1.

2. Procedures. The three (3) elected positions on the board of governors may be filled by any one (1) of the following three (3) methods:

- Mail ballot;
- Electronic ballot; or
- In-person ballot at a properly noticed meeting of the members.

The board of governors shall determine the form of election to be used each year, and shall be responsible for adopting reasonable nomination and election procedures not in conflict with these Uniform Chapter Guidelines. Reasonable procedures must include adequate written notices, a minimum of fifteen (15) days to nominate candidates, and a minimum of fifteen (15) days to cast a ballot if a mail or electronic ballot is utilized. Chapters wishing to utilize an electronic ballot may use League services for this purpose, but a written request must be submitted to League staff a minimum of ninety (90) days in advance of the election.

3. When Ballots Not Required. In the event no more than one (1) candidate is nominated for each available position, those candidate(s) so nominated shall be deemed elected by acclamation without the need for a ballot vote.

4. Report of the Elections Results. The Chapter Secretary shall send to each Regular and Associate Member written or electronic notice of the results of chapter elections within ten (10) days after any election, with a copy to the League.

5. Challenges. Challenges to an election by written or electronic ballot must be presented to the Chapter Secretary within three (3) business days after the Chapter Secretary sends written or electronic notice of the election results. Challenges to an election by in-person ballot at a meeting of the members must be made before the meeting is adjourned. All challenges shall be submitted to League counsel for review, whose determination shall be final. Ballots shall be destroyed at the conclusion of the challenge period.

6. Vacancies. The position of any governor shall be deemed vacant upon his or her death, resignation, inability to serve, or failure to meet eligibility requirements. Any position not filled during the regular election process shall be deemed vacant. Any vacancy in one of the three (3) elected chapter officer positions shall be filled by appointment by the remaining seated governors for the remainder of the unexpired term. Any vacancy in a governor at large position may be filled by appointment by the chapter officers at their discretion.

7. Proxies. Proxy voting is permitted at any meeting of the members as long as the proxy is given by a Regular or Associate Member credit union to another Regular or Associate Member credit union using the League-approved form. The completed proxy form must be submitted to the Chapter Secretary prior to the start of the meeting and shall be retained with the minutes. A proxy is only valid for the meeting at which it is presented.

PART V. MEETINGS OF MEMBERS

1. Frequency. The chapter will hold meetings of the members as frequently as required to conduct the affairs of the chapter as determined by the board of governors or at the call of the Chapter Chairman.

2. Notice. The Secretary shall provide written or electronic notice of any meeting of the members to all Regular and Associate Member Credit Unions at least thirty (30) days prior to the meeting, setting forth the day, hour and place of the meeting.

3. Quorum. The presence of at least three (3) voting Regular or Associate Member credit unions shall constitute a quorum, provided all Regular and Associate Members were given proper notice.

4. Voting Without a Meeting. Any action which may be taken at any meeting of the members may be taken without a meeting if the chapter distributes a written or electronic ballot to every Regular and Associate Member entitled to vote on the matter.

PART VI. CHAPTER FUNDS AND ACTIVITIES

1. Direct Assessments Prohibited. Chapter funds cannot be raised by direct assessment of the chapter's Regular or Associate Members.

2. Limitation on Use of Chapter Funds. For purposes of this policy, "chapter funds" are defined as those funds collected or raised by chapters that are not traceable to a specific individual.

- (1) Chapter expenditures shall not exceed funds available in the chapter treasury.
- (2) No chapter representative may commit the chapter or the League to any expenditure not authorized by the board of governors or the League Board of Directors, as appropriate.
- (3) No chapter funds may be expended for any purpose inconsistent with the purposes of the chapter, the League or the Uniform Chapter Guidelines.
- (4) All disbursements of chapter funds must be supported by adequate documentation and approved by the board of governors.
- (5) Funds may only be withdrawn by a chapter officer.
- (6) Chapter funds may not be used to support candidates for League or CUNA office, and chapters may not endorse candidates for League or national office.
- (7) Chapter funds may not be used to contribute to a political action committee (PAC), including the League's state or federal PAC, nor any candidate for government office. A chapter may, however, deliver funds traceable to specific individuals (e.g., personal checks collected by the chapter) to the League staff member responsible for the PAC. Although it is permissible for a chapter to deposit personal checks into the chapter account and deliver a check drawn on the chapter account accompanied by a written breakdown of individual donors and amounts, original individual checks should be delivered to League staff whenever possible.
- (8) Chapter funds may be used to contribute to the PAC administration (PAC-Admin) account.
- (9) Chapters shall neither directly nor indirectly support legislation or litigation without first submitting the matter to and receiving the determination of the League.

3. Interest Reporting. Chapters utilizing the League's tax identification number shall report interest earned on accounts to the League by January 31 of the following year.

4. Depository. Chapter funds must be deposited, as authorized by the board of governors, in credit unions organized under applicable federal or state law. Chapters shall provide an accounting to the League of all chapter funds upon request. League staff may, from time to time, establish a maximum amount of funds that may be held by a chapter at any one time.

5. Audit. The board of governors shall appoint an individual or committee to audit the financial records on an annual basis, and whenever an outgoing Chapter Treasurer transfers the chapter funds to a new Chapter Treasurer. A copy of the audit report, on a form designated and provided by the League, shall be promptly submitted to the board of governors and to the League within sixty (60) days after completion. Chapters shall also submit a completed balance sheet and income statements within thirty (30) days of the end of each calendar year.

6. Non-Member Credit Union Participation. Chapters may include non-member credit unions in chapter activities on an occasional or case-by-case basis as determined by the Chapter Chairman or by action of the board of governors.

7. Disclaimer. The following disclaimer shall be included in all chapter activity notices:

"[Insert name of chapter] Chapter programs do not express or imply an endorsement of any products or services."

8. Branding and Use of League Logo. Any unique chapter brand or logos must be pre-approved by the League. Any use of the League's brand or logo shall be consistent with the League's Chapter Logo Guidelines. Any web page or social media listing for the chapter not operated by League staff must be pre-approved by the League and provide for ongoing access to League staff.

9. Limitation on Endorsements.

- Direct or indirect endorsements by chapters for League and CUNA Offices shall be consistent with recommendations of the League.
- Neither chapters nor chapter representatives acting in their capacity as a chapter representative shall directly or indirectly endorse candidates for political office without the prior approval or recommendation of the League.

10. Chapter Support of Legislation and Litigation.

- Neither chapters nor chapter representatives acting in their capacity as a chapter representative shall directly or indirectly publicly support or oppose legislation of interest to credit unions without the prior approval or recommendation of the League's Government Relations Committee.
- Neither chapters nor chapter representatives acting in their capacity as a chapter representative shall directly or indirectly publicly support or oppose litigation of interest to credit unions without the prior approval or recommendation of the League.

11. Internal Affairs of Credit Unions. Chapter representatives shall not engage in any activities in their capacity as a chapter representative that would directly or indirectly be considered, or construed to be, involvement by the chapter in the internal policies, operations or affairs of a credit union. This prohibition includes, but is not limited to, pricing of services, setting of fees, establishing dividend or interest rates, sharing of information on rates charged and paid, or limiting overlap of fields of membership.

12. Chapter Achievement Award. The Chapter Achievement Award is presented annually at the Chapter Forum to recognize excellence in meeting established criteria for chapter activities and achievements.