



PSCU CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

Information Guidelines for Persons Applying to Serve on the Board and Committees 2022

This document is provided to guide persons wishing to serve on The Board and Supervisory and Credit Committees of the PSCU Credit Union Co-operative Society Limited in their decision making. Applicants and their Recommenders are asked to be guided accordingly.

I. BASIC REQUIREMENTS

a. Applicants must be:

- Eighteen (18) years or older
- Of sound mind
- Knowledgeable of and experienced in the business of Credit Union
- Able to give the time required to attend meetings and undertake project activities related to the operations of the Credit Union.

b. Applicants should not:

- Have been engaged in unlawful business practices
- Possess an employment record which shows that he/she carried out any act of impropriety in handling of his/her employer's business
- Have been convicted by a court of law for an offence involving violence, fraud, or any other form of dishonesty.

II. FIT AND PROPER CRITERIA

Members of the Board and Statutory Committees and Officers must meet and, where relevant, maintain the following **Fit and Proper Criteria**:

- a. Honesty, Integrity, Fairness and Good reputation
- b. Competence, Diligence, Capability and Soundness of judgment
- c. Financial soundness, that is, the member should demonstrate prudence in the management of his /her own financial affairs



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- d. With regard to the previous conduct, business activities and financial matters of the person, there must be no evidence that he/she has:
- i. Committed an offence involving fraud, violence or other acts of dishonesty
 - ii. Been delinquent in meeting payment obligation
 - iii. Engaged in business practices that appear to be unlawful, oppressive or improper or which otherwise reflect discredit on his method of conducting business
 - iv. An employment record which shows that he carried out an act of impropriety in the handling of his employer's business
 - v. Engaged in or been associated with any other business practices in such a way as to cast doubt on his/her competence and soundness of judgement.

III. GOVERNANCE PRINCIPLES

Please note:

- a. The operations of the Credit Union are guided by the Co-operative Societies Act Chapter 81:03, the Regulations and the Bye-Laws read together (Bye-Law 1 (a)).
- b. All duties to be performed by the Board and Committees are to be consistent with the above stated guideline
- c. A Member cannot serve on the Supervisory and the Credit Committee at the same time.
- d. A member cannot serve on the Board of Directors and any of the two Committees at the same time.
- e. The following persons shall not be eligible for nomination or election to the Board of Directors, the Credit Committee or Supervisory Committee:
 - i. A member whose spouse, child, parent, brother, sister is the General Manager or the Internal Auditor of the Society.
 - ii. A member of the Board of Directors, Credit or Supervisory Committee or who is the General Manager or the Internal Auditor, of another Credit Union.
(Bye-Law 24 (a) iv)



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IV. RESPONSIBILITIES OF BOARD AND COMMITTEES

Members of the Board and Committees must be Credit Union members in good standing, honest, unselfish, sincerely interested in the good of the Society and its members, know the business, behave ethically, avoid partisan politics, be objective, possess good social values and have courage to make unpopular decisions for the good of the Credit Union and its members. They carry a major responsibility for the realization of the Vision and Mission of the Society,

a. THE BOARD OF DIRECTORS

The Board is comprised of nine members, the President, Vice President, Secretary, Assistant Secretary, Treasurer and four other Directors. The President, Vice President, Secretary and Treasurer together, constitute the Executive of the Board.

Fiduciary Functions of the Board of Directors

The functions of the Board of Directors are wide and diverse. Following are some of these key functions:

- ❑ Overall leadership, direction and control of the affairs of the Credit Union
- ❑ Adoption and approval of policies to guide the successful operations of the organization
- ❑ Deciding on the long-term goals and objectives of the organization, planning and monitoring activities related to their achievement
- ❑ Reporting to members at Annual General Meetings and convening Special General Meetings
- ❑ Ensuring that the Credit Union's Rules, the Co-operative Societies Act and Regulations, the rules of the League and other relevant legislation are complied with
- ❑ Recommending amendments to Bye-Laws
- ❑ Ensuring on-going education and training of members, volunteers and staff
- ❑ Maintaining good public relations
- ❑ Monitoring and evaluating the performance of the Credit Union, the Board and Committees
- ❑ Ensuring that members' funds and the assets of the Credit Union are adequately protected



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- ❑ Appointing relevant committees to assist the Board's in the effective discharge of its responsibilities
- ❑ Equipping themselves with the requisite skills and knowledge to effectively perform their functions
- ❑ Attending the requisite courses for certification as Credit Union Professionals.

Members of the Board of Directors are expected to have among their competencies, knowledge and experience in the following:

The Board of Directors should comprise a diversity of skills such as:

- Strategic Business Management And Planning
- Internal Control
- Financial Management And Accounting
- Human Resource Management
- Management Of Legal Matters
- Marketing
- Information Technology
- Public Speaking
- Credit Administration
- Governance
- Risk Management
- Leadership
- Change Management
- Applicable Legislation In Relation To the Credit Union's operations

b. THE COMMITTEES:

There are two Statutory Committees, **Supervisory and Credit**

i. THE SUPERVISORY COMMITTEE

The Supervisory Committee is charged with the responsibility of being the Internal Audit Committee of the Credit Union for and on behalf of the members. Its functions include:

- ❑ Ensuring the adequacy of internal control systems and procedures and adequate management of risks.



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- ❑ Liaising with the Credit Union's external auditor in the conduct of this audit
- ❑ Dealing with member complaints

Members of the Supervisory Committee are expected to have among their competencies knowledge and experience in the following:

- ❑ Auditing, Accounting and Financial Management
- ❑ Business Administration
- ❑ Internal Control
- ❑ Computing
- ❑ Risk Management

ii. THE CREDIT COMMITTEE

The Credit Committee has overall responsibility for the Loan Portfolio and Credit Administration of the organization, guided by the Credit Policy laid down by the Board of Directors. However, the Credit Committee may delegate some of its responsibilities to appointed Loans Officers or those employed to the Credit Union. The Credit Committee is also responsible for the promotion of thrift and the encouragement of wise use of credit.

Members of the Credit Committee are expected to have among their competencies knowledge and experience in the following areas:

- ❑ Business loan granting
- ❑ Credit administration including loan analysis and granting
- ❑ Project appraisal, monitoring and implementation
- ❑ Delinquency Control and Collections
- ❑ Securities evaluation and execution
- ❑ Financial counseling
- ❑ Cash flow projection
- ❑ Knowledge of applicable legislation.



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V. ADDITIONAL INFORMATION

- All members nominated to serve on the Board and Committees will be required to undergo training in Credit Union Management prior to assuming office.
- **Role, Responsibilities and Function of the Board and Committees as well as the operations of the Credit Union are fully detailed in the Bye-Law document which is included in this package.**