



Board of Directors Job Description

The following provides information on the primary role, essential responsibilities/accountabilities, and legal duties you will have as a member of the Board of Directors for Hudson Valley Credit Union. We appreciate all of our members who are willing to donate their time and talent to enhance our financial cooperative.

Primary Role

Responsible for establishing the overall governance, mission, vision, and long-term strategic direction for the Credit Union. Embrace and engage in a constructive partnership with the President/CEO, senior management and Supervisory Committee to effectively govern and continually improve the performance of the Credit Union. Approve and monitor the risk profile of the Credit Union. Fulfill legal duties and adhere to regulatory requirements. Act at all times in the best interests of the Credit Union and its members to ensure its safe, legal, compliant and prudent operation. Support HVCU's engagement in the communities in which the Credit Union serves its members.

Essential Responsibilities and Accountabilities

Governance and Leadership

- Govern and lead the Credit Union in constructive partnership with the CEO and senior management team as well as the Supervisory Committee.
- Act at all times in good faith and in a manner that the Director believes is in the best interests of the Credit Union and its members.
- Develop and continuously improve the Credit Union's governing policies and procedures.
- Ensure there are clear and agreed-upon roles and responsibilities for all elements of the Credit Union's governance structure, including committees established by the Board and monitoring such roles and responsibilities to ensure ongoing effectiveness.

CEO Support and Oversight

- Select the CEO and clearly determine their job duties, responsibilities and level of authority.
- Without limiting the authority of the Board, appropriately delegate day-to-day operational and management authority to the CEO.
- Assist, counsel, support, oversee, and regularly evaluate the performance of the CEO.
- Foster the CEO's effective leadership and management of the Credit Union's personnel, operations and activities through the development of a constructive partnership.
- Facilitate and maintain open and candid communication with the CEO.

Oversee Performance and Results

- Understand the Credit Union's financial documents. Approve the annual budget.
- In a constructive partnership with the CEO and senior management team, mutually determine the Credit Union's key metrics of strategic and overall operational success measures.
- Monitor, analyze, and oversee the Credit Union's revenues, expenses, financial ratios, key metrics, performance indicators, and results of the Credit Union's efforts, growing the intrinsic value of the organization.
- Be actively engaged, curious, and inquisitive; ask appropriate substantive, strategic questions, and provide relevant and actionable feedback to the CEO and senior management team to improve the Credit Union's performance and results.

Strategic Thinking, Learning, and Planning

- Embrace and nurture a leadership culture grounded in strategic thinking, learning, and dialogue.
- Maintain an effective ongoing process and focus on strategic efforts and their execution.

- Together with the CEO and senior management team, formally establish the vision, mission and strategic goals, objectives and metrics of success for the Credit Union.
- Regularly monitor strategic progress and performance.

Risk Management

- Working with the Supervisory Committee, CEO and senior management team, participate in developing an appropriate risk profile for the Credit Union and ensure the strategic plan, budget, policies, and other relevant documents align to that risk profile.

Membership and Community Outreach

- Thoughtfully represent the members' interests.
- Be active ambassadors to the Credit Union's membership on behalf of the Credit Union.
- Promote and positively represent the Credit Union's brand, image, and benefits to members, prospective members, and the community at large.
- Engage with the communities where the Credit Union operates.
- Assist the Credit Union in identifying and forming crucial partnerships with other Credit Unions, organizations, groups, etc.

Stewardship, Ethics and Financial Integrity

- Maintain, monitor, and ensure the safety and soundness of the Credit Union and its assets.
- In partnership with the CEO, senior management, and the Supervisory Committee, retain independent auditors, accountants, and legal or governance counsel as needed.
- Ensure that the Credit Union acts ethically and with integrity consistent with a cooperative, not-for-profit institution. As a Board member, hold oneself to the same standards.
- Ensure ongoing monitoring and compliance with all laws, rules, and regulations applicable to the Credit Union and all its activities, as well as fulfilling those obligations as individual Directors (e.g. completing annual Bank Secrecy Act training).

Legal Duties

Duty of Care: The Director will act as a reasonable Board member would act, becoming and remaining reasonably informed in making sound and well-supported decisions in the best interests of the Credit Union and its members while governing the Credit Union.

Duty of Loyalty: The Director will act in good faith and in the best interests of the Credit Union and not in their own interests or the interests of persons or organizations with which they are associated. Directors may not use their position for personal gain or advantage and should avoid conflicts of interest.

Duty of Obedience: The Director will faithfully observe and comply with relevant federal, state and local legal requirements, as to ensure that the Credit Union is in legal and regulatory compliance. In addition, the duty of obedience requires a Director to faithfully observe and comply with all properly promulgated policy and procedures of the Credit Union to ensure the Credit Union is operating in observance of its stated vision, mission and strategic direction.

Additional Resource

Below is a link to the National Credit Union Association's Rule 701.4, which lists the General Authorities and Duties of Federal Credit Union Directors.

<https://www.ncua.gov/regulation-supervision/letters-credit-unions-other-guidance/duties-federal-credit-union-boards-directors>