

GLOBAL GOVERNANCE FOCUS

The Board of Directors for The First Commonwealth Federal Credit Union shall be focused on strategic governance. The CEO shall be focused on both strategic and management governance. The CEO reports to the Board. The Board sets overall policy in support of strategic objectives. The Board of Directors will work with the CEO and the CEO's designated management team develop and ensure a vision and plan for the success of the member's financial happiness. The CEO reports to the Board and is responsible for all management operations of the credit union. The Board and the CEO shall work on behalf of the members.

GOVERNANCE POLICY

The overriding purpose of the board is to work with and guide management in development of the strategic vision and plan. The strategic plan and focus is the board's highest level authority. The board will discuss strategic issues at regularly scheduled board meetings. Board will review and update governance policies as necessary. The board will maintain a strategic mindset in all activities.

The board hires, directs, and holds accountable its only employee, the CEO. The board fulfills its obligations through strategic planning. Management is responsible for any operations of the business. The CEO is accountable to the entire board as a whole. The CEO is a colleague of the board, but reports to the board.

BOARD RESPONSIBILITY / ROLE

Board shall act and govern as a group of peers.

Board is responsible for Vision and Strategic Plan

Responsible to employ and support the CEO

Act independently of the CEO

Align actions with strategic vision.

CEO evaluation

CEO compensation – salary, bonus, incidentals, retirement, insurance, and other related compensation issues.

Require CEO succession plan.

Avoids unacceptable actions damaging to the business.

Appoints Supervisory Committee members.

Acts independently of the Supervisory Committee.

Participate in regular self-evaluations of volunteers.

Must have the time and interest to devote to responsibilities.

Board must act objectively and be receptive to other perspectives.

Communicate, or engage with staff, only through CEO on CU business.

Accept that the CEO is the single point of delegation from the Board. The Board has one employee.

Delegate to CEO all authority to manage the credit union.

The Board is strategic in focus. Management is both strategic and operational.

Engages in continuous learning and improvement.

Risk Management – understands most significant risks to business.

CODE OF CONDUCT

The board will act in an ethical, lawful and businesslike, manner in all interactions. All board members must adhere to the First Commonwealth Conflict of Interest, Volunteer, and Ethical policies and must sign off on each on an annual basis.

Conflicts of interest, no matter how trivial, should be disclosed to the full board at the nearest opportunity. Interests do not necessarily infer a conflict, but prompt disclosure reduces the perception of one.

Board members must not attempt to exercise individual authority over any credit union business or staff except when authorized by the full board.

No board member speaks for the whole board without authorization from the board.

Volunteers must always respect the confidentiality of any sensitive information they may come across related First Commonwealth, staff, or other volunteers.

Board, Supervisory, or Advisory Committee members must be members and account holders in good standing.

Board members will always seek out pertinent knowledge to situations that they may encounter in deliberations. Board members will be prepared for each board meeting.

Board will work towards a climate of trust and openness with each other and the CEO.

Board will see a culture that invites multiple perspectives.

Board will seek a climate of mutual respect.

VOLUNTEER POSITIONS

The Board of Directors is made up of nine members. Effort must be made to ensure a full board is seated in an efficient manner.

Two positions for Associate Board member are available, but not required to be filled.

Supervisory Committee is made up of five members who are not on the board.

Advisory Committee members may have any number of members determined by the board.

Board Officers are made up of the Chairman, Vice Chairman, Secretary, and Treasurer. These positions as a whole do not make up a committee, nor do they have any special meetings or authority outside of a regular board meeting.

One Board Emeritus position may be available on a one year basis.

BOARD COMMITTEES

All board committees are established by consensus.

Three standing committees shall be in place at all times. Governance, Volunteer/HR, and CEO Relations. A nominating committee will be established each year to suggest board members for each year. The Board nominating committee will be made up of five people who are not up for election. Other committees may be established by board consensus.

Board committees are designed to help the board govern, develop, and strive toward strategic objectives.

TERM LIMITS

In an effort to expand skillsets of board members, the board chair shall serve no more than five (four?) years in a row.