July 1, 2024

# Iowa Division of Credit Unions
# Regulatory Advisory Bulletin

## Board of Directors Attendance at Board Meetings:

Iowa law requires each credit union's board of directors to hold a specific number of regular meetings each calendar year. Board of directors are not prohibited from calling more than the required number of regular meetings or from meeting more than once a month. However, each credit union is required to hold a minimum number of meetings and no more than one of the required meetings may be held in the same calendar month. Iowa Code section 533.206 (2024).

A. Board of directors are required to hold at least 12 regular meetings in each calendar year for the first full 5 years of the credit union's existence.

B. For credit unions with a CAMELS rating of 4 or 5 in any individual component or a composite rating of 3, 4, or 5, the board of directors are required to hold at least 12 regular meetings in each calendar year.

C. For credit unions without any individual CAMELS ratings of 4 or 5 and with a composite rating of 1 or 2, the board of directors are required to hold at least 6 regular meetings in each calendar year. No more than one of the required 6 regular meetings may be held in each calendar month and the board of directors may not go longer than two consecutive months without holding a board meeting.

Board of directors are responsible for establishing a policy regarding how they will ensure the business requirements of the credit union are met in the months in which a meeting is not held.

Individual board members are further required by Iowa law to attend at least 75% of the regular board meetings held in a calendar year. Iowa Code § 533.205(3)(c) (2019). If a director fails to attend the required 75% of meetings, they have not met the legal requirement of engagement. These directors are presumed to have vacated their position on the board.

The Division cautions **the board against granting excused absences without good cause, as this sets a standard for lax attendance. A director should be required to notify the board in advance, if unable to attend a meeting, or make arrangements to attend in an electronic manner.** Unless your credit union's bylaws provide otherwise, directors may participate in board meetings via a conference call, Skype, GoToMeeting, Google Hangout, Zoom, Teams, or other teleconference methods where participants can simultaneously hear and communicate with one another. However, in accordance with Iowa law, directors must attend at least one board meeting in person annually. Iowa Code § 533.206 (2019).

The Division encourages boards of directors to establish policies and expectations for board of director meeting frequency and attendance. The Division further encourages boards of directors to discuss with individual directors who have shown irregular attendance, whether they have a desire to continue their role as a director and reaffirm their intent to fulfill their duties as a director and their sworn obligations set forth in the Board of Directors Oath.

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Superintendent of Credit Unions

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