

March 19, 1997

Horace E. Catley, Sr., President
Local 408 Federal Credit Union
P.O. Box 88006
Houston, TX 77288-0006

Re: Travel, Lodging and Lost-time Pay for Board of Directors
(Your February 27, 1997, Letter)

Dear Mr. Catley:

You have asked whether your federal credit union (FCU) may pay its geographically dispersed board of directors their travel and lodging expenses and lost wages for attending FCU board meetings. Pursuant to Section 701.33 of the National Credit Union Administration Rules and Regulations, reimbursement for travel and lodging is permissible but reimbursement for lost wages is prohibited.

I am enclosing copies of two, previous opinion letters providing additional explanation on these issues. Letter from Richard S. Schulman to Joseph Coleman, dated August 16, 1996; Letter from Richard S. Schulman to the Greater Boston FCU, dated January 18, 1996. I hope that we have been of assistance.

Sincerely,

Sheila A. Albin
Acting Associate General Counsel

GC/MFR:bhs
SSIC 3500
97-0305

Enclosures

cc: Becky Baker, Secretary to the Board