



**TULSA FEDERAL**  
CREDIT UNION

May 21, 2018

Mr. Gerard Poliquin  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 2314-3428

Dear Mr. Poliquin:

Re: Comments on Possible Amendments to the standard Federal Credit Union Bylaws

Tulsa Federal Credit Union appreciates the opportunity to comment on the National Credit Union Administration (NCUA) Advanced Notice of Proposed Rulemaking (ANPR) soliciting input on whether possible amendments to the standard Federal Credit Union Bylaws are warranted.

### **Bylaw Amendment Process**

We support revising the bylaw amendment process to expedite bylaw amendment requests. The Office of Credit Union Resources and Expansion (CURE) should automatically approve preapproved bylaws and establish a required time frame, such as 30 days, which all other bylaw requests would be processed.

Further, it would be very beneficial if NCUA would provide a list of all previously approved bylaw amendments on the agency's website. This would provide credit unions a single location to reference when considering specific bylaws.

## **Clarification of Bylaws on Limitation of Service and Member Expulsion**

The ANPR suggests that contract provisions in account and service agreements, as well as federal and state laws, may impact the ability of a federal credit union to implement a limitation of service policy. Given this, it is difficult for Tulsa Federal to envision a standard bylaw which could be created that would address the myriad of differences which may exist.

## **Bylaws to Facilitate the Recruitment and Development of Directors**

Tulsa Federal does not believe that it is necessary for NCUA to create a bylaw specifically addressing the recruitment and development of board members. While we believe that the recruitment and development of board members is critical to any credit union, this process should be managed by each credit union individually. It is unclear to us how a bylaw would adequately address the nuances that may exist within each credit union when recruiting or developing its Board of Directors.

For many years, Tulsa Federal has successfully relied on the appointment of non-voting Associate Board Members (who are members of the credit union) for recruitment and development of new board members. Our Associate Board Members are copied on all board related information, attend our board meetings and may attend credit union based educational conferences. As an alternative to a bylaw, perhaps field examiner staff can be provided guidelines on best practices for board recruitment and development which can be shared during a credit union's regulatory examination.

## **Bylaws to Encourage Member Attendance at Annual and Special Meetings**

Lack of member attendance at Annual or Special Meeting has very little to do with the current member notification requirements; Instead, the issue rests squarely on the value the member receives from the meeting.

Although the member has democratic control of the credit union and the Annual Meeting is where that control can be exercised, most members see very little value in attending the meeting if it is "only" a business meeting. For decades, like many other credit unions, Tulsa Federal enticed members to attend its Annual Meeting with door prizes and games. Although members attended the meeting, it was clear they were there for the door prizes and games – not the business of the credit union. Three years ago, the Credit Union discontinued the door prizes and games and, not surprisingly, member attendance fell to a handful (with exception of employees). Until credit unions can articulate to our members the unique democratic value

credit union membership brings and a compelling reason to attend the Annual Meeting, low attendance will continue.

To provide the credit union industry more flexibility, we support NCUA enabling member participation in Annual and Special meetings via technology. Given the available technology and the migration of credit union financial transactions from the branch to electronic channels, many members are willing and comfortable with a virtual relationship with their credit union. We suspect that, if an option, members would be open to use technology to participate in Annual or Special Meetings.

### **Elimination of Overlaps Between NCUA Regulation and FCU Bylaws**

Where appropriate, we do not object to the removal of overlaps between the NCUA Standard Bylaws and FCU Bylaws.

Thank you very much for the opportunity to comment on this ANPR, which we feel is important to the credit union industry. Please do not hesitate to contact us if we can provide additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Gallant". The signature is stylized and cursive.

Gregory Gallant  
President/CEO