

## Quick Glance Guide to Membership Voting

In 2018 the Administrative Rules for handling membership voting were amended. The amended voting rules are effective May 16, 2018. Credit unions should implement these rules for their next annual meeting. [Click here](#) to view the rules.

This guide is intended as a quick reference and checklist for board of director elections; however, additional voting scenarios are affected by this rule. **Please refer to the rule for additional information.**

### Alternatives for Board of Director Elections

Below are reference charts and a more detailed outline for handling board of director elections at a credit union's annual meeting. Credit unions that choose mailed voting, electronic voting or a combination of voting methods are not permitted to accept new nominations from the floor of the annual meeting, all nominations must be submitted prior to the meeting in accordance with the Administrative Rules. If the credit union only permits in-person voting they can choose to accept nominations either from the floor during the annual meeting or by petition in advance of the meeting. If a credit union chooses to conduct the vote only in-person but accepts nominations by petition, the credit union must form its nominating committee 120 days before the annual meeting.

### **Mailed, Electronic, In-Person with Nominations by Petition, or Combination of Voting Methods**

<b><i>Days Before Annual Meeting</i></b>	<b><i>Action Step</i></b>
At least 120	Board must form its nominating committee
At least 90	Nominating committee submits candidates to the board & board notifies membership that nominations may be submitted through petition**
At least 90	Nominations must be sent via newsletter or other written communication (if this method is used)
At least 60	Nominations by petition are due
60-30	Board must post all nominations
<b><i>Days Before Close of Balloting*</i></b>	<b><i>Action Step</i></b>
30-20	The notice of balloting must be provided to members**
<b><i>Days After Certification of Results</i></b>	<b><i>Action Step</i></b>
At least 60	Ballots must be retained
At least 60	Results must remain posted in each credit union office

\*The close of balloting shall be at least two days before the annual meeting when accepting electronic or mailed ballots. The close of balloting for in-person voting is the day of the meeting.

### **In-Person Voting Only AND Allowing Nominations from the Floor**

<b><i>Days Before Annual Meeting</i></b>	<b><i>Action Step</i></b>
At least 60	Board must form its nominating committee
60-30	Board must post all nominations
30-20	The notice of balloting must be provided to members**
<b><i>Days After Certification of Results</i></b>	<b><i>Action Step</i></b>

At least 60	Ballots must be retained
At least 60	Results must remain posted in each credit union office

\*\* These notices may be combined with the credit unions notice of the annual meeting.

## NOMINATING CANDIDATES FOR THE BOARD OF DIRECTORS

1. Using a combined method of electronic, mail, and in-person voting methods (not allowing nominations from the floor).
  - At least 120 days before the annual meeting the chairperson of the board must appoint a nominating committee of three or more members, none of which can be up for re-election or an immediate relative.
  - At least 90 days before the annual meeting:
    - The nominating committee must file its nominations with the secretary of the credit union board.
    - When accepting nominations by petition the secretary must notify all members (in writing) eligible to vote that nominations for vacancies may be made by petition signed by at least 1 percent of the members, subject to a minimum of 20 members and a maximum of 200 members. The notice must provide members at least 30 days to turn in their nominations.
  - At least 60 days before the annual meeting the secretary must have received all member petitions for board nominations.
  - At least 30 days before the annual meeting (but no more than 60 days) the secretary shall post all nominations in a conspicuous place in each credit union office.
2. In-person voting only and accepting nominations from the floor.
  - At least 60 days before the annual meeting. The chairperson of the board shall appoint the nominating committee of three or more members, none of whom are directors currently eligible for reelection or an immediate relative.
  - At least 30 days before the annual meeting the secretary shall post all nominations in a conspicuous place in each credit union office.
3. Notification via newsletter or other written communication.
  - At least 90 days before the annual meeting. The secretary shall send the newsletter or written communication to the entire membership via U.S. mail or electronic mail (for members who have opted to receive notices or statements electronically), and indicate a physical location or email address where nominations can be sent. The notice must indicate that there will be no nominations from the floor at the annual meeting, and that the nominating committee will vet the candidates and present a list of eligible candidates prior to the voting period.
  - If the board utilizes this notification method, nominations shall not be taken from the floor at the annual meeting.
  - Nomination notifications made pursuant to this rule are not subject to the nomination by petition process.

## HOLDING ELECTIONS FOR THE BOARD OF DIRECTORS

- The board of directors must appoint an election committee of not less than five members, none of whom may be a current director, nominee or an immediate family member of a director or nominee. The election committee must elect a chairperson from among the committee members, who will announce the results at the annual meeting.
- The election committee is responsible for ensuring that the name and credit union account number is verified and is each member is only permitted to vote once. The election committee is also responsible for testing the integrity of the electronic balloting system throughout the election period if the board has chosen to allow electronic voting.
  - At least 20 days before the close of balloting but no more than 30 days before the close of balloting, the secretary of the board shall ensure a notice of balloting is provided to all members eligible to vote.
  - At least 5 days before the meeting where the vote will occur balloting must close when voting by mail or electronically.

## Notice Requirements

### 1. If the credit union is accepting nominations by petition:

- The secretary shall notify in writing all members eligible to vote at least 90 days before the annual meeting that nominations for vacancies may be made by petition signed by at least 1 percent of the members, subject to a minimum of 20 members and a maximum of 200 members.
  - The notice must state that there will be no nominations taken from the floor at the annual meeting.
  - The notice must include a list of the nominating committee's nominees, and a brief statement of qualifications and biographical data in a form approved by the board of directors. Each nominee by petition shall submit a similar statement of qualifications and biographical data with the petition.
- Nominations shall be accompanied by a signed certificate from the nominee stating that they are agreeable to nomination and will serve if elected to office, and will cooperate with any background check required by the credit union.
- The period for receiving nominations shall extend at least 30 days from the date the notice is sent and must be received by the credit union at least 60 days before the annual meeting.
- The notice may be included with notice of the annual meeting and in statements or newsletters, on the credit union website, or on signs posted in the credit union. Electronic mail may be used for members that have opted to receive notices electronically.

## 2. Notice of balloting:

- The notice of balloting shall state the names of the candidates for the board of director positions. The name of each candidate must be followed by a brief statement of qualifications and biographical information in a form approved by the board of directors.
- The notice shall set forth the rules and procedures for voting and the date of the close of balloting. If the board elects to have multiple methods of voting, the notice shall inform members that they have a right to vote through any of the methods of voting designated by the board, but that members will only be allowed to vote once.
- The notice may be included with notice of the annual meeting and in statements or newsletters, on the credit union website, or on signs posted in the credit union. Electronic mail may be used for members that have opted to receive notices electronically.
- Included with the notice of balloting should be the mailed ballots if the board has opted to conduct the vote at least in part through mail ballots. However, if the credit union will also be conducting electronic voting, the mail-in ballot is not required for members who have opted to receive notices or statements electronically.
  - Mailed ballots must include; one ballot, one ballot envelope, one identification form, one mailing envelop to return the ballot. The mailing ballot must be preaddressed for return to the election committee.
  - If electronic voting is permissible the notice of balloting must also include an instruction sheet with specific instructions for electronic voting. The instructions must include information to access and use the electronic voting system and the period of time in which votes will be taken.
- If the board did not elect to accept additional nominations by petition, then the notice shall state additional nominations will be taken at the annual meeting.
- The credit union must provide a notice of balloting at least 20 days before the close of balloting but no more than 30 days before the close of balloting.

## 3. Absentee ballots:

- If absentee voting is permitted the notice of the annual meeting must include a notification that members may vote either in-person at the annual meeting or by absentee ballot if the member submits a written or electronic request for an absentee ballot and returns the ballot prior to the close of balloting.
- Absentee ballots are only permitted when the election will be conducted in person only and when no additional nominations will be taken from the floor. A majority vote of the board of directors can then elect to use absentee ballots when they believe it is in the best interest of the credit union.
  - Any member properly submitting a written or electronic request for an absentee ballot must be mailed the balloting materials including; one ballot, one ballot envelope, one identification form, one mailing envelop to return the ballot. The mailing ballot must be preaddressed for return to the election committee.

## **Ballot Requirements for In-Person Voting**

- Printed ballots shall be distributed to those in attendance at the meeting who have not yet voted. Ballots shall be deposited in the ballot boxes placed in conspicuous locations at the annual meeting.
- After members have been given an opportunity to vote, balloting shall be closed and the votes will be tallied by the election committee. If the credit union is accepting nominations from the floor, printed ballots should be distributed to those in attendance after additional nominations are taken or the ballots must have blank spaces to write in the additional names. The election committee shall certify the vote count to the board. The election results shall be announced at the annual meeting.

## **Following the Election**

- As soon as the election committee has certified the results of the election all written ballots must be sealed and properly labeled. Electronic votes should be saved electronically. All ballots and voting results should be kept at least 60 days and until any disputes are resolved.
- The board must post a notice of the election results in a conspicuous place in each credit union office for at least 60 days. In addition to posting the voting results the credit union must also communicate the results by mailing it with the member's next statement, include the results in the credit union's or sponsor's newsletter, post on the credit union's website OR by placing the results in a newspaper of general circulation within the credit union's area of operation.

*This voting information should only be used as a guide. It is provided for informational purposes only and is not intended to represent a legal opinion. Any legal opinions in reference to this briefing should be discussed with your credit union's attorney.*