

# OVERSIGHT

## NEWSLETTER

CHAIRMAN: JOE TOBIN

SECRETARY: MARTINA COLE

TREASURER: DEIRDRE KELLEHER

### NEWSLETTER 1 2021

## WELCOME

Hello and welcome to *Oversight*, the new newsletter of the NSF.

As you will see, our newsletter format has changed is designed to complement our other communication channels, our website [www.nsf.ie](http://www.nsf.ie) and our Facebook page <https://www.facebook.com/nationalsupervisorsforum>.

*Oversight* will evolve and improve over time. We will seek your feedback through a survey (to be released in June 2021).

We will deliver articles to you that we hope will be helpful to you in your role.

*Joe Tobin,  
Chairperson and Editor*



Left to right: Martina Cole - Secretary, Deirdre Kelleher - Treasurer, Joe Tobin - Chair, Brigene Litchfield Dundalk CU LTD Front: Jack Cotter

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### MAKE GREATER USE OF THE NSF WEBSITE

The NSF has improved our website, for your benefit.

Please check our website regularly for updates on courses and on the latest relevant publications circulated to us from key stakeholders such as the Central Bank.

If you are to properly discharge your role, then you should log in regularly and read Central Bank communications.

Try our direct link now:

<https://nsf.ie/nsf-documentation-and-downloads/>

# OVERSIGHT – WHAT’S IT ALL ABOUT?

We are delighted to welcome so many new BOC members on board in recent times. This, therefore, is a very good time to look afresh at the role of the BOC.

The functions of the BOC are very clearly laid out in **Section 76M** of the Credit Union Act 1997 as amended. The Section states:

**“A board oversight committee shall assess whether the *board* of directors has operated in accordance with (a) Part IV, this Part and any regulations made for the purposes of Part IV or this Part and (b) any other matters prescribed by the Bank in respect of which they are to have regard to in relation to the board of directors”.**

Key, underlined words merit further attention. **“Assess”** means *“to make a decision or judge or evaluate”*. In the context of this legislation it requires the BOC to make a judgement as to whether the Board is operating in accordance with Part IV of the Act and regulatory requirements. *“Whether”* is a conjunction indicating a choice between two or more alternatives, one of which is that the Board is operating in accordance with Part IV of the Act and regulatory requirements and any other matter prescribed by the Central Bank or whether it is not. That is the limit of the functions of the BOC under Section 76M.

The procedural provisions govern how the BOC should operate. Here again, the Act is very clear. Section 76(O)(a)) specifies that the BOC must itself **meet at least monthly**. As well as that, it must meet the Board at least **4** times a year *“... to facilitate it in carrying out the assessment...”*. The purpose of the meeting with the Board is very specific - it is to help the BOC to carry out its assessment. The BOC then has 2 weeks to submit a written report to the Board.

**Were the functions of the BOC to be summarised, it could be done as follows:**

## BOARD OVERSIGHT COMMITTEE

### FUNCTIONS AND PROCESS

as laid down in the Credit Union Act 1997 as amended

Part IV of the CUA and relevant Regulations,  
etc.



# FREQUENTLY ASKED QUESTIONS

Are BOC members who have served 12 years in aggregate out of 15 years required to retire and should we be planning for that now?

Yes. **Section 76N(6)** states that if a member has served (as a director and/or BOC member) 12 years in aggregate out of the previous 15, he or she may not be appointed or elected to the Board Oversight Committee. The CUCORA 2012 Act commenced in October 2013, so this defined the commencement of this time limitation. BOCs should now be actively planning to avoid turnover of the entire BOC if all or most BOC terms expire together.

Does the Credit Union Act 1997 bestow any speaking rights on BOC members at Board meetings?

No. However, the Chair may, at his or her discretion, allow questions on occasions. However, the “observe-but-do-not-participate” mode applies generally.

Should the BOC undertake an annual circularisation of member balances?

No. Operational issues such as the circularisation of member balances does not fall within the BOC functions.

# DIARY DATES

**JUNE**  
**SATURDAY 26TH**

## Summer Forum Webinar

Guest Speaker Brian Corr Senior Corporate Finance Specialist, Head of Credit Union Policy at Department of Finance, Ireland

## SEPTEMBER MEETING DATES

Tuesday 7th

Thursday 9th

Tuesday 21st

Thursday 23rd

2 hrs 7pm to 9pm

Total 8 hrs CPD

**Understanding Credit  
Union Financial Accounts and Statements**

**NOVEMBER**  
**SATURDAY 6TH**

## NSF AGM

Guest speaker Ed Sibley,  
Deputy Governor Central Bank

## PROGRAMME FOR GOVERNMENT

The NSF was one of four organisations, including CUDA, CUMA and the ILCU, that made a collective submission in February to the Minister for Finance on proposed legislative change as part of the Programme for Government.

## TRAINING 2021

- Introduction to the Board Oversight - Duties and Responsibilities
- Ethics & Governance for Credit Unions
- Criminal Justice Corruption Offences Act
- Protected Disclosures (Whistleblower)
- Understanding the Credit Union Audit Function
- Effective Communications
- Efficient & Effective Meetings

**Suited to experienced Board Oversight Committee members and new Committee members**

This Programme has commenced already. It is hoped to deliver all of these courses over the Summer and Autumn. Additional courses will be added as required. You will be advised of same.

## NORTHERN IRELAND

*Training for Supervisors will take place in July - further details will follow.*

While all our training moves to online webinars for the foreseeable future, it is hoped that with the continued support of our Northern Ireland trainer, Keith Savage, a full complement of online training for Northern Ireland Supervisory Committees will be available in the very near future.

Meetings have taken place with Martin Fisher Regulatory and Legal Officer for Northern Ireland as part of ongoing dialogue with the Northern Ireland regulatory authorities.