



# Liberia Credit Unions National Association (LCUNA)

P.O Box 2428, Red Light Paynesville City  
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# LCUNA BYLAWS

**AND THE CONSTITUTION OF LIBERIA CREDIT UNIONS  
NATIONAL ASSOCIATION, LTD**

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*Reviewed and Revised May2, 2012*

**MAP OF LIBERIA INDICATING COUNTY CAPITALS AND RESOURCE MOBILIZATION CENTRES (SUPERVISION)**



**RESOURCE CENTERS**

- Monrovia
- Buchanan
- Ganta
- Zwedru

<b>REGIONS - COUNTIES:</b>	
1.	Montserrado, Bomi, Grand Cape Mount, Gbarpolu
2.	Margibi, Grand Bassa, Rivercess, Sinoe
3.	Nimba, Bong, Lofa
4.	Grand Gedeh, River Gee, Maryland & Grand Kru

## **PREAMBLE**

We the Members, Employees, Associates cognizant of the fact that a strong bondage of people with common interest, belief and goal is most crucial to providing opportunity for the Financial Strengthening of our communities, with the aim of alleviating poverty; we the Members, officers and associates of the credit union movement of Liberia desirous of pooling our resources, talents and professions together by affording our members' the potential of savings and share deposits as a source of credit for our mutual benefit, to seek improvement of our well being and livelihood; do hereby form ourselves into a National Apex Association of Primary Credit Unions; establish and ordain this By-Law/Constitution as the supreme charter and instrument for the governance of this body.

## **ARTICLE 1: NAME AND PURPOSE**

***Section I: The name of the National Apex organization shall be known and referred to as Liberia Credit Unions National Association (LCUNA) Limited.***

***Section II: The purpose, aim and objectives of the Liberia Credit Unions National Association (LCUNA) Limited shall be:***

### **a) Purpose**

*To supervise and promote thrift among its members through education, and awareness programs, sensitization, capacity building and training to accumulate savings credit and share deposits as a source of credit for loans with fair and reasonable interest rates to benefit and enable members borrow, and control their own fund to make settlement of the loan;*

### **b) Aim and objectives:**

- ☞ *Build the capacity and financial strength of LCUNA for delivery of professional and technical services to credit unions;*
- ☞ *Sensitize, educate and train the leaderships and managements of Primary Credit Unions in good record keeping for transparency and accountability;*
- ☞ *To help affiliate credit unions build tractable records for the review and interest of development partners and stakeholders to strengthen credit unions for the benefit of their members and communities;*
- ☞ *To solicit meaningful and sustained support from donors and development partners to facilitate ways and means for LCUNA and credit union leaderships to participate in workshops organized by WOCCU, ACCOSCA and other International Development Partners;*
- ☞ *Develop and implement programs to motivate and support marginalized groups and narrow the gap of youth and women's exclusion in leadership and management roles of credit unions;*
- ☞ *Incorporate Risk Management Strategies to secure share deposits, savings and individual members' protection, initiate and promote new and meaningful programs*

Friday, January 30, 2015

*for the protection of the inalienable human rights of members living with HIV/AIDS and other ailments;*

- *Petition legislature to promulgate inclusive regulatory laws to enable the Government effectuate support and supervision of the sector through the credit union model for poverty reduction and strengthening of the Financial System and Economic mainstream from time-to-time.*

### **Section III: Goal:**

The goal of LCUNA is mainly to develop savings-led microfinance through the credit union model to reduce poverty in Liberia.

## **ARTICLE 2: STRUCTURE**

LCUNA is not-for-profit, non-governmental financial service oriented organization with headquarters in Red Light Paynesville City, Monrovia, Republic of Liberia.

**Section I:** The General Assembly shall exercise its authority pursuant to the laws. The Board of Directors shall be the Group of Persons vested with authority of overseeing the management and the activities of LCUNA.

**Section II:** The Management and staff shall conduct and implement the day-to-day activities of LCUNA through strategic policies designed and supervised by the Board of Directors.

## **ARTICLE 3: DEFINITIONS**

- A. **Member** – Refers to registered, due paying, affiliate primary credit union.
- B. **Credit Union** – A cooperative financial service organization owned and operated by its members on a not-for-profit basis according to democratic principles. Its purpose is to encourage savings, to use pooled funds, to make Loans and to provide other related services to members and their families. A credit union is part of a cooperative Financial system and adheres to the operating principles for credit unions as set forth by the World Council of Credit Unions (WOCCU);
- C. **Affiliated Credit Union** – means a credit union that is “dues – paying” member of the National Apex Body - LCUNA;
- D. **National Credit Union Organization** – A National Credit Union Organization (APEX BODY OF CREDIT UNIONS) means a membership organization made up primarily of Credit Unions. cognized by WOCCU and ACCOSCA as an organization that pursues National Goals that are consistent with the world wide purpose of WOCCU;
- E. **Regional Credit Union Organization:** Regional Credit Union Organization means a membership organization made up primarily of National Organizations of Credit Unions recognized by WOCCU as an organization that pursues multi National or Regional Goals consistent with the world wide purpose of WOCCU – reference the African confederation of cooperative savings and credits Association (ACCOSCA);
- F. **Supporters** – means any individual, credit union organization, public or private organization that provides social and economic support to LCUNA annually for the accomplishment of its purpose as defined in Section 1.1;

Friday, January 30, 2015

- G. **Meeting** – means an official occasion for the transaction of business in a deliverable Fashion. A meeting may take place in the form of a gathering in one room or area, telephone conference call, internal connection or any other setting or mode of communication that affords participants the opportunity to exchange ideas and take or make decisions.
- H. **Full Dues**: - Are defined as a) flat rate for category of affiliate certification, b) Individual Annual Membership contribution to LCUNA shall be US\$5.00 per individual member of credit unions; c) Savings aggregate calculation on minimum savings balance of 0.005% apportioned to LCUNA annually.
- I. **“Current on Dues”**: A member is classified as “Current on Dues”, when she has paid the previous year’s dues and is paying the current years dues or paying according to a Board of Directors approved deferred schedule.

#### **ARTICLE 4: ELIGIBILITY FOR MEMBERSHIP**

- 1) The LCUNA Board of Directors shall determine the requisite criteria to become a member within the following:

**Caution and Guidelines** - CDA Certificated and LCUNA affiliated Credit Unions are the only organizations eligible to be members of LCUNA. To become a qualified member, a credit union must abide by the Standard Operations Procedures (SOP) of the credit union movement and the international best practice of safety and soundness set by WOCCU from time to time and approved by the Board of Directors. Credit unions must also demonstrate financial viability and solvency according to WOCCU Standards. Only LCUNA shall be eligible to be a member of WOCCU representing the National Credit Unions Movement of Liberia. Approval for additional members of similar representation shall require approval of three fourths of the entire WOCCU Board of Directors.

#### **ARTICLE 5: APPLICATION AND ADMISSION**

##### **Section I – Application:**

Application for membership shall be submitted to LCUNA with accompanying details and documents such as CDA Registration. The applicant shall become a member after review of application by Technical Committee of LCUNA, payment of affiliation due and issuance of affiliation certificate.

**Section II :(a) Withdrawal of Membership** – a member may withdraw from membership voluntarily for a cause or at the end of the calendar year for which the member paid affiliation fee and duly registered provided that a written notice of withdrawal is given to LCUNA one month prior to intended withdrawal.

(b) A member that has withdrawn from LCUNA and desires to rejoin must submit an application for new membership as set forth by LCUNA and approved by the Board of Directors.

**Section III: - Nonpayment withdrawal** – The membership of a member may terminate and a member may be deemed withdrawn from LCUNA for non-payment of dues.

***Section IV: Expulsion***

A member of a credit union may be expelled from LCUNA for cause by a  $\frac{3}{4}$  vote of the Board of Directors or  $\frac{3}{4}$  vote of the General Assembly if the member has received at least 45 days notice of the proposed expulsion. Members shall be given the opportunity if it so chooses to contest the expulsion first to the Board of Directors and if necessary to the General Assembly at the next Annual Meeting. The expulsion will remain in effect until the Board of Directors or the General Assembly has decided any appeal.

**ARTICLE 6: GENERAL ASSEMBLY**

***Section 1: General Assembly of members*** is the ultimate Authority within the Structure of LCUNA. The General Assembly approves Reports and elects Directors. Individuals serving in the General Assembly shall be qualified as delegates and election of Board members shall only be carried out by Chairmen/Presidents, of primary Credit Unions represented and qualified by the General Assembly to vote.

***Section II: Quorum***

The quorum for decision making in the General Assembly shall be formed by 60% of the total members of registered delegates; the General Assembly shall convene annually in the month of March. The date, venue and time shall be selected by LCUNA and confirmed by the Board of Directors

***Section III: Qualification to vote in General Assembly***

Any affiliate credit union organization that is a member of LCUNA may cast its vote in person or by proxy at the General Assembly. Delegates election of Board Members shall be entirely the prerogative of chairmen and/or presidents and Managing Director of credit unions. A proxy shall be an elected officer of the board of Primary Credit Union represented.

***Section IV:*** Members must be current in their dues in order for their delegates to qualify to vote or be elected in any General Assembly Meeting. Any member who receives approval from the Board of Directors to pay discounted dues or part payments though may be qualified to vote, shall have no more than one vote in the *General Assembly*.

**ARTICLE 7: BOARD OF DIRECTORS AND OFFICERS*****Section 1: Powers***

The Board of Directors shall exercise power and duty when the General Assembly is not in session. The power of the General Assembly shall supersede the board in the management of the affairs of LCUNA provided that the Board of Directors may not amend the By-laws of LCUNA in violation of the constitutional authority of the General Assembly. The Board may appoint Special Committees or Advisory Groups whose functions are to carry out specific duties within a specified period of time and conclude with final reports. Each director has one vote on matters to be acted upon by the Board of Directors.

***Section II: Responsibilities***

The role of the Board is to provide strategic guidance for LCUNA and effective oversight of Management. The directors represent the interest of members and are responsible for the overall direction of LCUNA, long term objectives, strategy, performance, compliance and policies.

***Section III: Eligibility***

The Board of Directors shall consist of at least nine (9) members and no more than fifteen (15) voting directors –each of whom must be a delegate from members whose (dues payments) are current each year at least forty-five (45) days prior to the Annual Meeting of the General Assembly. The General Assembly shall determine the exact number of people to serve on the Board of Directors constituted immediately upon adjournment of the Annual Meeting of the General Assembly.

***Section IV:*** Only members that are current on dues payments and are paying full dues may assume seats in the Board of Directors.

***Section V: Members of the Board of Directors shall:***

- i. Be formally literate
- ii. Have an understanding of LCUNA and methodologies
- iii. Be committed to LCUNA standard operations procedures for credit unions;
- iv. Be committed to LCUNA standards of Soundness and safety according to international best practice reference of WOCCU/ACCOSCA;
- v. Be knowledgeable about their institution, their National Credit Union Movement and their Regional Zones.
- vi. ***Term:*** Each Director shall serve for a three-year term of office commencing at the adjournment of an Annual Meeting of the General Assembly unless otherwise terminated in accordance with these By-Laws. The terms of office shall be consistent with the provisions of the constitution so that an approximately equal number of Directors would be selected each term. The term of office for the Board shall be three years with an option to renew for a second term.

**ARTICLE 8: OFFICERS AND COMMITTEES**

***Section I: - Executive, Audit and Risk Management Committees. The Board of Directors*** shall have an Executive Committee comprising the following positions:

- Chairman
- Vice Chairman
- Secretary
- Treasurer
- Chaplain

The Chairman shall serve as Chairman of the Executive Committee.

Members of the Executive Committee shall be elected by and from the Board of Directors at its First Meeting held after the General Assembly. A member organization is not permitted to hold more than one seat on the Executive Committee. The Managing Director and the Management of LCUNA shall be appointed by the Board of Directors. The Managing Director shall constitute the selection of management team and staff shall serve at the pleasure of the Board of Directors.

***Section II: The Audit Committee of credit unions: shall be elected in their General Assembly and shall constitute three members one of whom must be a professional Accountant.***

***Section III: Other Standing Committees of credit unions such as: (a) Education and Training, (b) Loan Committee, Membership and Mobilization shall be appointed by the Chairman of the Board of Directors of Primary Credit Unions.***

Friday, January 30, 2015

***Section IV: Term of Office***

Each officer elected in the Board of Directors of LCUNA shall serve a period of three (3) years with an option to renew for a second term.

***Section V: Managing Director/CEO***

The Managing Director/CEO shall have General charge of the Management of LCUNA under the directive of the Board of Directors. The Board Delegates to the Managing Director the authority to manage the day-to-day operations of LCUNA subject to specific delegations and limits. The Managing Director has the responsibility to delegate Authority to members of the Executive Management and staff.

***Section VI: Vacancy in the Board***

A Director's position may become vacant under the following circumstances: Resignation, ceasing to be a delegate, ceasing to affiliate with the Credit Union represented during time of election, death or inability to perform. That vacancy when it exists shall be filled by the affiliate member of the organization from the region where the vacancy occurred.

**ARTICLE 9: DUTIES*****Section I: Chairman***

The chairman shall serve as chairperson of the General Assembly and of the Board of Directors. He or she shall perform other duties assigned by the Board of Directors.

***Section II: Vice Chairman***

The Vice Chairman shall exercise power and duties of his Chairman in the event of the absence or inability of the chair. In the event of a vacancy in the office of the Chairman, the Vice Chairman shall become Chairperson for the remainder of his or her predecessor's term of office.

***Section III: Secretary***

The Secretary shall oversee the recording functions of the organization each physical year and shall ensure that the schedule of when payment is due as determined by the Board of Directors shall be enforceable.

***Section IV: Dues Assets Base***

The days to be used for determining the assets on which dues are based for particular year of payment shall not be earlier than December 31, one year prior notice to the membership for Dues of the following calendar year.

***Section V: Determination of Dues Payment Time:***

The Board of Directors shall determine when in each Fiscal Year dues shall be paid to LCUNA.

***Section VI: Treasurer***

The treasurer shall be the custodian of the treasury/fund of the association. He or she shall see that funds of the association are deposited into the appropriate accounts of LCUNA and records of such deposits are kept. The treasurer shall give Financial Report of the financial status of the association (LCUNA) annually.

Friday, January 30, 2015



***Section VII: Currency for Dues***

Dues shall be paid in currency which is legal tender in the Republic of Liberia. However, the Board of Directors may determine the operational currency in which members shall pay annual dues..

***Section VIII: Fiscal Year***

The Fiscal Year of LCUNA shall begin on the First Day of January and end on the Last day of November each year. The books and records of accounts of LCUNA shall be audited annually.

**ARTICLE 10: FINANCIAL SUPPORT*****Section I: LCUNA shall be supported by:***

- Member dues assessed and selected in the manner determined by the Board of Directors;
- Payment received for services rendered or goods provided;
- Grants, loans, bequests or awards as received by LCUNA;
- Funding received from donors, development partners and social contractors and the Government of Liberia (GOL).

***Section II: Reserves***

The Board of Directors may establish and determine the level of funding of Reserves for various purposes.

***Section III: Determination of Dues and time of payment:***

Annual Dues to be paid by members shall be determined by the Board of Directors which shall be by majority vote and shall be taken at a meeting, conference, call or mail ballot by a quorum of the members of the Board of Directors.

***Section IV: Director (s) Vacancy if Dues Not Current or Not Paid in Full***

A director's position will become vacant in the event of the Non-payment of full dues by the member organization that the Director represents. If the members' dues are not current or were deferred temporarily by the Board approval the director's position will be held vacant until full payment of dues has been received by LCUNA. If full payment of dues has not been received at the time nominations are solicited for the election of Directors, the representatives of such a member credit union shall not be permitted to take part in any elective position.

**ARTICLE 11: ANNUAL CONVENTION AND DELEGATES COST*****Section 1:***

The General Assembly shall convene annually to review the activities of the Credit Union Movement. The venue and location shall be decided by LCUNA Management Team and approved by the Board of Directors. The members credit unions shall pay the cost of registration for their delegates and shall also be responsible for transporting and lodging their own delegations. The cost for the Board of Directors, LCUNA Management Team and Secretariat shall borne from proceeds of LCUNA approved by the Board of Directors.

Friday, January 30, 2015

***Section II:***

The Board can either succeed itself at the end of its term of office if endorsed and approved by the General Assembly for excellent performance or a new board elected with participation of its incumbent members for a second individual term of office.

***Section III: Delegates and Participants***

Member (Credit Unions) shall pay the cost for participation of their member delegates. For delegates or participants who are LCUNA Directors, Managers or Secretariat, the Board of Directors shall approve costs associated with their representation.

**ARTICLE 12: CENTRAL FUND AND INVESTMENT COMMITTEE*****Section I: Establishment***

There shall be a Central Fund and Investment Committee established to receive surplus funds from Credit Unions to provide loans to affiliate members if and when the National Association determines the modalities for the establishment of such fund approved by the Board of Directors.

***Section II: Central Fund and Investment Committee***

- a) Composition: The Central Fund Committee shall comprise of a minimum of three (3) or maximum of five (5) members nominated tri-annually by the Board of Directors of the National Association; provided that in a minimum of three members, one shall be a member of the Board and in a maximum of five members, two shall be members of the Board of Directors of LCUNA.
- b) The Board of Directors shall nominate members of the Central Fund and Investment Committee and its members so nominated shall elect its officers among themselves. The officers of the Central Fund Investment Committee shall be Chairman, Secretary and Treasurer. These shall not be construed to be the same as the Chairman, Co-chairman, Secretary and Treasurer of the National Association. If considered appropriate the managers of the Central Fund Investment Committee shall be Chairman, Co-chairman, Treasurer/General Manager, Secretary and Accountant.

***Section III: Compensation of Central Fund Investment Committee***

The Central Fund Investment Committee serves without remuneration except that the Board of Directors of LCUNA may decide to compensate members for fulfillment of specific obligations if and when such compensation has been requested by the Central Fund Investment Committee.

***Section IV: Meetings of the Central Fund Investment Committee***

Regular meetings shall be held at least every month if the Business of the Central Funds Committee requires more frequent meetings, the committee shall arrange for such meetings from time to time.

## **ARTICLE 13: DISTRIBUTION OF ASSETS AND LIQUIDATION**

### ***Section I Assets:***

Affiliate members of LCUNA may distribute Assets from time to time to any one or more affiliate members of LCUNA whether in connection with Dissolution or not and each such distribution shall require the approval by three fourths of the votes of the General Assembly of such member. The Board of Directors of LCUNA shall develop a plan for any distribution of assets to members.

## **ARTICLE 14: AMENDMENTS**

No subject matter may be considered for by-law amendment unless the proponent (either a member of the Board of Directors of LCUNA submits the proposal in writing to the office of the Chairman of the Board of Directors not later than forty-five (45) days before the meeting of the General Assembly at which time the amendment is to be considered. As soon as practicable the Chairman of the Board of Directors shall notify all affiliate members of any such proposal in writing. The proposal or any counter proposal must submit it in writing to the office of the Chairman not later than thirty (30) days before the meeting. The Chairman of the Board shall send all proposals and counter proposals to each affiliate member in the forum of a supplemental notice of the meeting of the General Assembly not later than fifteen (15) days before the meeting. Alternatively also a matter may be introduced as a bylaw amendment at the meeting of the General Assembly if three fourths of the General Assembly votes to consider the amendment at the meeting.

## **ARTICLE 15: COMPENSATION AND REMUNERATION OF BOARD OF DIRECTORS, MANAGEMENT AND STAFF**

### ***Section I: Compensation***

The Board of Directors shall receive Board fees for attending meetings, either quarterly, semi annually, annually or called meetings cited to discuss urgent and significant matters. The level of compensation shall be approved by the General Assembly.

### ***Section II: Remuneration***

The management and staff of LCUNA employed selected and approved by the Board of Directors shall receive monthly salary and other financial benefits prescribed and approved by the Board of Directors. Such financial benefits shall be reviewed from time to time and adjusted to meet social challenges in economic development, and sustainability of the livelihood of employees.

## **ARTICLE 16: REGIONAL ZONES**

**There shall be four Regional Administrative and operational zones**

### ***Section I: Regions***

- a) Region 1 - comprises of Montserrado, Bomi, Gbarpolu and Grand Cape Mount Counties;**
- b) Region II - comprises of Nimba, Bong, and Lofa Counties;**
- c) Region III - Margibi, Grand Bassa, River Cess and Sinoe Counties;**

**d) Region IV - comprises of Grand Gedeh, River Gee, Maryland and Grand Kru Counties**

**Section II: Purpose and objectives:**

- a) *To enable the Board of Directors carry out and effectuate smooth supervision, coordination, monitoring and updating the work of Primary Credit Unions around the country;*
- b) *For even and effective representation on the Board of Directors that shall indicate geographical balance,. no two persons shall be elected from the same county within the Region but two persons shall be elected from two separate counties within the same region.*

**ARTICLE 17: DISSOLUTION**

Liberia Credit Unions National Association shall only be dissolved in a manner provided by the cooperative law of the Republic of Liberia at the time of dissolution. The law shall require advance notice, a minimum of two thirds votes of the General Assembly regular or called, payment of liabilities and obligations, distribution of assets in accordance with the bylaws and plan of distribution which may include transfer to charitable organizations or affiliate credit unions.

LCUNA's Formal legal and expedient dissolution shall require approval by three-fourths of the votes of the General Assembly of affiliate and regular credit unions in Liberia.

**Constitutional Committee Members:**

**LCUNA**

<i>No</i>	<i>Name</i>	<i>Position</i>	<i>Phone Number</i>	<i>Signature</i>
<i>1</i>	<i>James M. Freeman</i>	<i>Chairman</i>		
<i>2</i>	<i>Pastor Josiah T. Parkular</i>	<i>Secretary</i>	<i>0880-780-181</i>	
<i>3</i>	<i>Alex S. Seo</i>	<i>Member</i>		
<i>4</i>	<i>Bonyenoh Tarplah</i>	<i>Member</i>		
<i>5</i>	<i>Pastor Neewlay Weyea</i>	<i>Member</i>		
<i>6</i>	<i>N. Jerry Klee, Sr.</i>	<i>Member</i>		
<i>7</i>	<i>James B. Moore</i>	<i>Member</i>		
<i>8</i>	<i>Allen Dolo</i>	<i>Member</i>		
<i>9</i>	<i>Alphonso Z. Kroma</i>	<i>Ex-officio, LCUNA</i>	<i>0886 603-294</i>	

Friday, January 30, 2015