



NATIONAL CREDIT UNION ADMINISTRATION  
Washington, D.C. 20456

May 29, 1987

GC/RD:sg  
4610

Office of General Counsel

Mr. Walt Vandeperre  
Manager  
Reynolds Longview Federal Credit Union  
P.O. Box 1080  
Longview, Washington 98632

Dear Mr. Vandeperre:

This is in response to your recent letter concerning whether a Federal credit union may reimburse directors for expenses incurred while attending meetings and conferences on behalf of the Federal credit union. Additionally, you ask whether lost wages or salary would be considered a reimbursable expense.

The Federal Credit Union Act and the NCUA Rules and Regulations provide for the payment of reasonable expenses incurred by members of the board of directors in the execution of the duties of the position. See §111(c) of the Federal Credit Union Act (12 U.S.C. §1761(c)) and Section 701.33 of the NCUA Rules and Regulations (12 C.F.R. §701.33).

We have concluded that the "reasonable expenses incurred" language of the provisions referred to above would include reasonable costs associated with a director's attendance at meetings and conferences on behalf of the credit union. For example, costs such as travel, meals and lodging would be considered reimbursable expenses.

We are currently studying the issue of whether payment for lost wages or salary while a director is attending meetings or conferences on behalf of the credit union is properly considered "reimbursement of reasonable expenses incurred" under Section 111(c).

FOIA Vol. III PART A (4)

- REIMBURSEMENT FOR EXPENSES while on FCU BUSINESS
- REIMBURSEMENT FOR LOST WAGES while on FCU BUSINESS

Mr. Walt Vandepierre

Page Two

We will notify you when our review is completed.

I hope we have been of assistance. If you have any further questions, please contact this Office.

Sincerely,

A handwritten signature in cursive script, appearing to read "S. Bisker".

STEVEN R. BISKER  
Assistant General Counsel

RD:sg