



NATIONAL CREDIT UNION ADMINISTRATION

Washington, D.C. 20456 -

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Office of General Counsel

June 8, 1989

Mr. Earl L. Hardy
Senior Vice President
Florida Credit Union League, Inc.
P.O. Box 3108
Tallahassee, Florida 32315-3108

Re: Disclosure of Credit Union Employee Salaries to
Members (Your May 15, 1989, Letter)

Dear Mr. Hardy:

You have asked whether a Federal credit union ("FCU") must disclose employee salaries to genuinely interested members. FCU employment contracts are subject to inspection by members, although the FCU is under no obligation to compile a list of salaries.

BACKGROUND

A member of a Florida FCU plans on requesting a list of employee salaries at the next annual meeting. The Florida FCU does not wish to disclose any salary information to its membership.

ANALYSIS

Article XIX, Section 6 of the FCU Bylaws states that the charter and bylaw are available to the membership for inspection. In regard to other records, we subscribe to the common law principle that members are entitled to inspect the books and records of the FCU at a reasonable time and for a proper purpose. Thus, minutes of board and committee meetings, as well as credit union employment contracts, may be subject to inspection, assuming that a proper and not a vexatious purpose for the inspection is demonstrated. This position is consistent with Florida State law treatment of this issue.

It is our opinion that the employment contracts may be made available for inspection by all members simultaneously. This can be accomplished by having the employment contracts available at

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the annual meeting or any other appropriate gathering of the members. In addition, the FCU is not under any affirmative obligation to create a list of salaries for inspection by the members. If a member wishes to know the salary of a position not subject to an employment contract, the FCU may wish to make the salary range available. We suggest that you also look to State corporate law in Florida to determine whether you are in complete compliance with State corporate inspection requirements.

Sincerely,



HATTIE M. ULAN
Assistant General Counsel

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