

CRITERIA AND PROCEDURES FOR THE ISSUANCE OF
PROVISIONAL AFFILIATION CERTIFICATE FOR CREDIT UNION
STUDY GROUP

1.0 FORMATION

- 1) Any notification for the establishment of a credit union must be channeled through the nearest office of CUA.
- 2) *Any idea to own the credit union personally or by a few of the members would not be tolerated.*
- 3) All Promoters of the Credit Union Study Group (CUSG) must receive a permission letter from the General Manager before any arrangement can be carried out.
- 4) The Permission Letter to the Promoters would be in force for a maximum period of three (3) months.
- 5) The Credit Union Study Group shall be required to have a minimum membership of Fifty (50) with a potential membership of not less than Six Hundred (600) before commencement.

2.0 LEADERSHIP AND TRAINING

- 1) Potential members would be required to be educated on the concept of credit union by CUA before the orientation of the Interim Management Board (IMB).
- 2) There shall be a maximum of five (5) member Interim Management Board (IMB) approved by the members and CUA at a meeting.
- 3) The IMB shall be required to undergo a mandatory intensive Credit Union orientation programme for a maximum period of two (2) days with personnel from CUA.
 - a. None of the IMB shall be closely related or family ties and or with any of the IMB members and the Manager.
 - b. The Committees must not have been seen in meddling in any issue of Conflict of Interest.

- 4) The Society shall be required to have a part time / full time Manager or Book-Keeper with a background in accounting or finance who will be trained on the concept of credit unions and to maintain accurate records.

3.0 OPERATIONS

- 1) Members of such Credit Union Study Group shall be required to pay an entrance fee of not less than Ten Ghana Cedis (GH¢10.00)
- 2) Members in the CUSG shall be required to save at least GH¢20.00 per month.
- 3) All members in the CUSG should have purchased a minimum share of not less than one hundred Ghana Cedis (GHS 100.00) per member in the Society.
- 4) The CUSG shall be required to have a well-established office to operate from.
- 5) The CUSG shall be required to open a Business Account with an Introductory Letter from CUA.
- 6) The CUSG shall be required to comply with the Credit Union Bye-law and Articles of Association and all Policies covering the operations of credit union.
- 7) The CUSG shall be required to use all the primary books of accounts (Receipts Books, Payment Vouchers, Members Pass Books, Ledger Cards, etc.) of CUA.
- 8) The CUSG shall be required to use an appropriate Management Information System (computer(s), CUsoft or EazyBook, etc.) for its operations.

4.0 FEES AND OBLIGATIONS

- 1) All Societies seeking for provisional affiliation shall pay an Affiliation Fee of GH¢100.00 or as may be determined from time to time by CUA.
- 2) A Society accepted for provisional affiliation shall be required to purchase a minimum share of (GH¢500.00) Five Hundred Ghana Cedis in CUA.

5.0 PROCEDURE FOR THE PROVISIONAL AFFILIATION

The following Procedures shall be followed in issuing a Provisional Affiliation Certificate:

- 1) The CUSG shall apply in writing together with the Application Form to the General Manager through the Regional Manager for the Provisional Certificate of Affiliation.

- 2) The CUSG shall be required to attach the names, contact(s) and address of the members registered to the application.
- 3) The Profile of the members of the IMB and Manager as well as their shareholdings shall be attached to the Application.
- 4) The Regional Manager shall be required to add his/her recommendations and Feasibility Study Report to ascertain that the conditions surrounding the operations of the Society confirms viability.
- 5) The documents shall be forwarded to the General Manager within one week after the assessment.
- 6) The documents will be referred to the Operations Division at the Head Office for further action.
- 7) Upon assessment and passing the test, a Provisional Affiliation Certificate shall be issued by CUA; signed by the General Manager and counter sign by the Chapter Chairman together with the Credit Union Model bye-laws.
- 8) The Provisional Certificate of Affiliation is valid for one year.

6.0 POST PROVISIONAL AFFILIATION

- 1) The CUSG shall be required to purchase the necessary books of accounts from CUA for use.
- 2) The CUSG shall be required to attach ***“STUDY GROUP”*** to its name and all relevant documents.
- 3) The IMB of the Credit Union Study Group shall be required to customize the Model Bye-laws of Credit Unions and develop Operational Policies including Governance, Financial Management, Cash Handling and Human Resource Policies before full affiliation a year after.
- 4) The CUSG shall be strictly monitored on its operations which will include governance, memberships, financial and education.
- 5) The Interim Management Board shall be required to submit a Monthly Financial and Statistical Report (MFSR) to CUA one month after receipt of the Provisional Affiliation Certificate.

- 6) The CUSG shall not be permitted to open any Branch, Mobilization Centre, Collection Point or Pay Point during the period of its Provisional Affiliation.
- 7) Membership education must be organized regularly for members to be abreast with the credit union principles and benefits prior to full affiliation.
- 8) All staff employed for the operations of the Credit Union Study Group are required to be well trained in their lines of duties and on the credit union principles.
- 9) The staff are required to be bonded by signing a Fidelity Guarantee Form to forestall any act of misconduct.
- 10) CUA reserves the right to withdraw the Provisional Affiliation Certificate at any point in time if the operations of the Study Group Credit Union is deviation with the principles and regulations of credit union.