

**Think twice about which rules govern your meetings.**

## *Robert's Rules May Be Out of Order*

CHRISTOPHER PIPPETT

WHEN BOARDS ARE asked what rules of order they follow to conduct monthly, annual membership, and special meetings, most undoubtedly answer either, "Robert's Rules of Order," or "We're a collegial group that uses common sense." If your credit union gives either answer, the time has come to consider rules of order that fit your credit union.

Rules of order address procedures such as the order of business, how motions are made, the order that motions are considered, quorums, and voting.

The National Credit Union Administration

(NCUA) never has required federal credit unions to adopt rules of order for meetings. In Article IV of its 1999 bylaw revisions, the agency suggested the annual meeting order of business follow Robert's Rules of Order. NCUA, however, didn't mandate federal credit unions to adopt the 1999 bylaws, which is why the agency only suggested Robert's Rules.

Information accompanying the 1999 revisions suggested directors should use Robert's Rules as a guideline for conducting annual membership meetings and for resolving issues that aren't covered in the

bylaws. Unfortunately, credit unions and boards often have interpreted this as a directive to adopt Robert's Rules.

### **Rules of order options**

In April 2006, NCUA published updated federal credit union bylaws.

Federal credit unions are free to adopt all, some, or none of these new bylaws (CU Mag 9/06, p. 46).

There's one optional bylaw revision all credit unions should consider as a good bylaw or board policy.

In the 2006 bylaws, Article IV, Section 4, reads, "To the extent consistent with these bylaws, all [annual] meetings are to be conducted according to \_\_\_\_\_."

The instructions offer these choices to fill in the blank:

- ▶ **Democratic Rules of Order** (Democratic Rules);
- ▶ **Modern Rules of Order** (Modern Rules);
- ▶ **Robert's Rules of Order**; or
- ▶ **Sturgis' Standard Code of Parliamentary Procedure** (Sturgis).

These four options provide credit unions with flexibility for conducting meetings ("Three meeting rule alternatives"). Their guiding principles are fairness to those at the meeting and orderly conduct of meeting business.

Remember, NCUA

doesn't get involved in matters arising from annual member meetings or board meetings. It maintains that state law governs such matters. Few states, by statute or otherwise, specify which meeting procedures, if any, organizations should follow. That's why each credit union should think through what rules of order best fit its needs.

Most corporations and nonprofit organizations, including credit unions, traditionally have chosen Robert's Rules by default, due to what appeared to be the absence of other authorities or guidelines. This, however, can be fraught with pitfalls.

### **Why not Robert's?**

While Robert's Rules provide detailed explanations of when, where, and for what purpose motions can be made and debated, the most recent edition (including charts, tables, and index) is more than 700 pages long.

Chicago Mayor Richard Daley said at a city council meeting in 1967, "Robert's Rules of Order is the greatest book ever written." I don't know if he was extolling the virtues of the rules because they made council meetings move smoothly. But I suspect it was because it helped him control the decisions.

Did you know that,

### **Three Meeting Rule Alternatives**

The National Credit Union Administration lists three good alternatives to traditional parliamentary rules in Article IV of the 2006 updated federal credit union bylaws.

The Democratic Rules and the Modern Rules are simplest and easiest to follow. They run about one-tenth the length of Robert's Rules. Both the Democratic and Modern Rules generally vest more authority and discretion in the chair, thereby eliminating much of the formality and complexity of Robert's Rules.

Sturgis' procedures, on the other hand, provide a little more structure but are much simpler to follow than Robert's Rules.

You can find these rules of order by searching the Internet. They're copyrighted, so you must buy them. Costs are modest, about \$10-\$20.

Credit unions' choice of rules depends on many factors, including asset size, meeting formality, and members' sophistication.

under Robert's Rules, a motion to adjourn is proper at any time, even before the business of a meeting is discussed or voted upon?

I've been the parliamentarian when such a motion was made, in an obvious attempt to prevent a vote at a special meeting of members called to vote on a merger. It was only because the motion wasn't made until after the vote had been called that the motion was ruled out of order, so that the vote and the meeting could continue. Even so, it took me, someone familiar with Robert's Rules, several minutes to determine the correct and crucial ruling and permit the meeting to proceed.

Traditional parliamentary rules, such as Robert's Rules, are designed for formal bodies such as legislatures. These bodies generally have the framework and structure to adopt additional rules and policies that forestall attempts to disrupt the proceedings. Disrupters are either unfamiliar with the rules or want to use them to disrupt the meeting's business. Traditional rules, for example, don't clearly limit debate. Extended debate can continue a meeting for hours.

Credit union meetings tend to be less formal. A credit union attempting to



use Robert's Rules for conducting its meetings can be subjected to unfettered motions if someone wants to interfere with the meeting's objectives. The constant raising of motions, discussion of their appropriateness, and debate on questions raised can frustrate those present and distract them from the business at hand. This abuse, especially by someone familiar with Robert's Rules, eventually can confuse even experienced parliamentarians.

Moreover, applying highly structured rules to member meetings can be unfair to those wanting to participate more actively

but who are unfamiliar with parliamentary procedure and Robert's Rules.

The formality and complexity of Robert's Rules also can be excessive for a credit union board meeting. And it's a rare credit union that has someone who knows the intricacies of Robert's Rules. Another disadvantage: Robert's Rules can conflict with the credit union's bylaws, for instance, if the credit union has eliminated nominations from the floor.

Remember, even skilled parliamentarians can encounter difficulties in a heated meeting, so it's important to adopt procedures your board and

members easily can follow.

These more modern procedures will produce more orderly board and member meetings and ensure the efficient transaction of meeting business without unwarranted disruption or confusion.

Federal credit unions can select any of these rules by filling in the rules' name and edition number in Article IV of their bylaws.

As an alternative, boards by resolution simply can adopt the rules of order they're most comfortable with as a standing rule or policy for conducting board and membership meetings.

NCUA's 2006 bylaws present a good opportunity for all credit unions to review their existing bylaws, how they've been conducting board and member meetings, and how they'd like to do so in the future.

Addressing this issue now can eliminate disruptive meetings later and potential legal challenges of actions taken at the meetings. ©

**CHRISTOPHER PIPPETT** is an attorney with the law firm of *Saul Ewing LLP, Wayne, Pa.* Contact him at 610-251-5084 or at [cpippett@saul.com](mailto:cpippett@saul.com).