

January 3, 1992

James W. Hysell  
President & Chief Executive Officer  
Desert Schools Federal Credit Union  
P.O. Box 11350  
Phoenix, AZ 85061-1350

Re: Reimbursement of Board Member's Expenses (Your Letter of December 23, 1991)

Dear Mr. Hysell:

You requested an opinion regarding whether one of your board members, who is a school teacher, could be reimbursed for paying a substitute teacher to cover her position while she attended a credit union conference. The NCUA responded to a similar inquiry in the enclosed letter from me to Alfred V. Evans, Jr., Max Federal Credit Union ("FCU"), re: Request for Legal Opinion on Propriety of Reimbursement, dated November 15, 1988. Our position in that letter, namely that an FCU may not reimburse a director for such expenses, remains the same.

Sincerely,

Hattie M. Ulan  
Associate General Counsel

GC/MEC:sg  
SSIC 4062  
91-1242