



Tri-Counties
Association of REALTORS®

Policies and Procedures Manual

Approved by Board of Directors: June 4, 2015

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Table of Contents

TABLE OF CONTENTS

Page

DEFINITIONS 1

SECTION 1. BOARD OF DIRECTORS..... 2

1.1 AUTHORITY2

1.2 PURPOSE2

1.3 COMPOSITION.....2

 1.3.1 OFFICER/DIRECTORS2

 1.3.2 NON-OFFICER DIRECTORS3

1.4 ELIGIBILITY REQUIREMENTS.....3

 1.4.1 ALL DIRECTORS AND OFFICERS3

 1.4.2 ADDITIONAL REQUIREMENTS FOR OFFICERS.....4

 1.4.3 TERM LIMITS4

1.5 VACANCIES4

 1.5.1 OFFICER/DIRECTOR VACANCIES4

 1.5.2 NON-OFFICER DIRECTOR VACANCIES5

1.6 REMOVAL OF OFFICERS AND DIRECTORS5

1.7 QUORUM.....6

1.8 ORIENTATION AND PROFESSIONAL STANDARDS TRAINING6

1.9 MEETINGS6

1.10 DUTIES7

1.11 DIRECTIVES.....7

1.12 EXPENDITURES8

1.13 BOARD OF DIRECTORS PROFESSIONAL STANDARDS REVIEW PANEL8

 1.13.1 PURPOSE.....8

 1.13.2 COMPOSITION.....8

 1.13.3 QUALIFICATIONS.....8

1.14 INSPECTION AND COPYING ASSOCIATION RECORDS9

 1.14.1 RIGHTS OF DIRECTORS.....9

 1.14.2 RIGHTS OF MEMBERS9

1.15 LOCAL CANDIDATE RECOMMENDATION COMMITTEE (LCRC)10

 1.15.1 AUTHORITY10

 1.15.2 POLICIES AND PROCEDURES10

SECTION 2. EXECUTIVE VICE PRESIDENT 11

2.1 AUTHORITY11

2.2 PURPOSE11

2.3 POLICIES AND PROCEDURES11

 2.3.1 ADMINISTRATIVE.....11

 2.3.2 MEMBERSHIP.....13

 2.3.3 COMMITTEES.....13

 2.3.4 COMMUNITY ORGANIZATION13

 2.3.5 ELECTION13

 2.3.6 C.A.R. AND NAR.....13

SECTION 3. PRESIDENT..... 14

3.1 AUTHORITY14

3.2 PURPOSE14

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Table of Contents

3.3 QUALIFICATIONS.....	14
3.4 POLICIES AND PROCEDURES	14
3.4.1 <i>SERVE AS PRESIDENT AND IMMEDIATE PAST-PRESIDENT</i>	14
3.4.2 <i>PRE-INSTALLATION GUIDELINES</i>	15
3.4.3 <i>MEETINGS</i>	15
3.4.4 <i>MEMBERSHIP</i>	16
3.4.5 <i>BUSINESS</i>	16
3.4.6 <i>PUBLIC RELATIONS</i>	17
3.4.7 <i>SERVE AS C.A.R. DIRECTOR</i>	17
<u>SECTION 4. PRESIDENT-ELECT</u>	18
4.1 AUTHORITY	18
4.2 PURPOSE	18
4.3 QUALIFICATIONS.....	18
4.4 POLICIES AND PROCEDURES	18
4.4.1 <i>PRIOR TO BECOMING PRESIDENT</i>	18
4.4.2 <i>SERVE AS PRESIDENT-ELECT AND ASCEND TO PRESIDENCY</i>	18
4.4.3 <i>ORIENTATION</i>	19
4.4.4 <i>SERVE AS C.A.R. DIRECTOR</i>	19
4.4.5 <i>SERVE AS NAR DIRECTOR</i>	19
<u>SECTION 5. SECRETARY/TREASURER</u>	20
5.1 AUTHORITY	20
5.2 PURPOSE	20
5.3 QUALIFICATIONS.....	20
5.4 POLICIES AND PROCEDURES	20
5.4.1 <i>SERVE AS SECRETARY/TREASURER</i>	20
5.4.2 <i>ANNUAL BUDGET</i>	21
<u>SECTION 6. IMMEDIATE PAST PRESIDENT</u>	22
6.1 AUTHORITY	22
6.2 PURPOSE	22
6.3 QUALIFICATIONS.....	22
6.4 POLICIES AND PROCEDURES	22
6.4.1 <i>SERVE AS IMMEDIATE PAST PRESIDENT FOLLOWING PRESIDENCY</i>	22
6.4.2 <i>MEETINGS</i>	22
6.4.3 <i>NAR DIRECTOR</i>	23
<u>SECTION 7. C.A.R. DIRECTORS</u>	24
7.1 AUTHORITY	24
7.2 PURPOSE	24
7.3 QUALIFICATIONS.....	24
7.4 SELECTION	24
7.5 POLICIES AND PROCEDURES	25
7.5.1 <i>SERVE AS A DIRECTOR OF C.A.R.</i>	25
7.5.2 <i>C.A.R. MEETING & TRAVEL POLICY</i>	25
7.5.3 <i>ANNUAL REVIEW</i>	27
<u>SECTION 8. NAR DIRECTORS</u>	28
8.1 AUTHORITY	28
8.2 PURPOSE	28

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Table of Contents

8.3 QUALIFICATIONS.....	28
8.4 POLICIES AND PROCEDURES	28
8.4.1 SERVE AS A DIRECTOR OF NAR.....	28
8.4.2 SELECTION.....	29
<u>SECTION 9. AFFILIATE MEMBERS.....</u>	30
9.1 AUTHORITY.....	30
9.2 GOVERNANCE.....	30
9.3 PURPOSE	30
9.4 QUALIFICATIONS FOR AFFILIATE MEMBERSHIP	30
9.5 PRIVILEGES AND DUTIES OF AFFILIATE MEMBERS.	30
9.6 RESTRICTED FROM SERVICE.....	31
9.7 APPLICATION FOR MEMBERSHIP.....	31
9.8 APPLICATION FEE	31
9.9 DUES.....	31
9.10 NON-PAYMENT OF DUES	31
9.11 AFFILIATE USE OF THE TERMS REALTOR® AND REALTORS®.....	32
9.12 GENERAL RULES.	32
9.13 AMENDMENT TO POLICIES	32
<u>SECTION 10. ALL COMMITTEES</u>	33
10.1 AUTHORITY.....	33
10.2 PURPOSE	33
10.3 STANDING COMMITTEES.....	33
10.4 NON-STANDING COMMITTEES.....	33
10.5 CHAIR DUTIES.....	34
10.6 PRESIDENT’S ROLE.....	34
10.7 STAFF SUPPORT	34
10.8 EVP APPROVAL OF COMMUNICATIONS.....	34
10.9 GENERAL OPERATIONAL RULES AND PROCEDURES	34
10.10 MEETING CALL AND NOTICE	35
10.11 QUORUM	35
10.12 MEETING ATTENDANCE	35
10.13 REPORTING.....	36
10.14 FISCAL RESPONSIBILITY.....	36
<u>SECTION 11. EVENTS COMMITTEE</u>	37
11.1 AUTHORITY.....	37
11.2 PURPOSE	37
11.3 QUORUM	37
11.4 RULES AND PROCEDURES.....	37
<u>SECTION 12. BUDGET AND FINANCE COMMITTEE</u>	38
12.1 AUTHORITY.....	38
12.2 PURPOSE	38
12.3 QUORUM	38
12.4 MEMBERSHIP AND TERM.....	38
12.5 POLICIES AND PROCEDURES	38
<u>SECTION 13. GRIEVANCE COMMITTEE.....</u>	40
13.1 AUTHORITY.....	40

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Table of Contents

13.2 PURPOSE	40
13.3 QUORUM	40
13.4 MEMBERSHIP AND TERM.....	40
13.5 MEETINGS.....	41
13.6 DUTIES	41
13.7 POLICIES AND PROCEDURES	41
SECTION 14. NOMINATING COMMITTEE	42
14.1 AUTHORITY.....	42
14.2 PURPOSE	42
14.3 COMPOSITION	42
14.4 MEETINGS.....	42
14.5 QUORUM	42
14.6 POLICIES AND PROCEDURES	42
SECTION 15. PROFESSIONAL STANDARDS COMMITTEE	45
15.1 AUTHORITY.....	45
15.2 PURPOSE	45
15.3 QUORUM FOR COMMITTEE MEETINGS	45
15.4 MEMBERSHIP AND TERM.....	45
15.5 POLICIES AND PROCEDURES.....	46
15.5.1 <i>BYLAWS AND CODE OF ETHICS</i>	46
15.5.2 <i>CONFIDENTIALITY</i>	46
15.5.3 <i>APPROVED BY BOARD OF DIRECTORS</i>	46
15.5.4 <i>FEES</i>	46
15.5.5 <i>ARBITRATION AWARD ENFORCEMENT</i>	46
15.5.6 <i>HEARINGS</i>	46
15.6 REMOTE TESTIMONY POLICY & GUIDELINES.....	47
15.6.1 <i>STIPULATION OR WRITTEN REQUEST</i>	47
15.6.2 <i>IMPLEMENTING APPROVED REMOTE TESTIMONY</i>	47
15.6.3 <i>FURTHER GUIDELINES</i>	48
15.7 MEDIATION/OMBUDSMAN PROGRAM	48
15.7.1 <i>AUTHORITY</i>	48
15.7.2 <i>PURPOSE</i>	48
15.7.3 <i>QUALIFICATIONS</i>	48
15.7.4 <i>MEMBERSHIP AND TERM</i>	49
15.7.5 <i>CONDUCT OF MEDIATION CONFERENCE</i>	49
15.7.6 <i>COMMITTEE MEETINGS</i>	50
15.7.7 <i>QUORUM</i>	50
15.7.8 <i>BUDGET</i>	50
15.7.9 <i>INSURANCE</i>	50
15.7.10 <i>QUALITY MAINTENANCE</i>	50
15.7.11 <i>DISCRETION TO DECLINE HEARING</i>	50
15.7.12 <i>FORMAT CHANGE</i>	50
15.7.13 <i>EXPENSES</i>	51
SECTION 16. YOUNG PROFESSIONALS NETWORK	52
16.1 AUTHORITY.....	52
16.2 PURPOSE	52
16.3 QUORUM	52
16.4 POLICIES AND PROCEDURES	52

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Table of Contents

<u>SECTION 17. MULTIPLE LISTING SERVICE / CRMLS</u>	53
17.1 AUTHORITY.....	53
17.2 PURPOSE	53
17.3 MEMBERSHIP AND TERM.....	53
17.4 POLICIES AND PROCEDURES	53
<u>SECTION 18. NON-STANDING COMMITTEES</u>	55
18.1 STRATEGIC PLANNING COMMITTEE	55
18.1.1 AUTHORITY.....	55
18.1.2 COMPOSITION.....	55
18.1.3 PURPOSE.....	55
18.2 EDUCATION COMMITTEE	55
18.3 VALUE COMMITTEE	55
18.4 GLOBAL BUSINESS COUNCIL.....	55
<u>SECTION 20. REIMBURSEMENT AND EXPENSE POLICY</u>	56
20.1 AUTHORITY.....	56
20.2 PURPOSE	56
20.3 QUALIFIED DIRECTOR OFFICERS	56
20.4 COVERED EXPENSES.....	56
20.5 TAXES.....	57
20.6 RECORDS.....	57
20.7 PROCESS FOR REIMBURSEMENT	57
20.7.1 EXPENSE ALLOWANCE.....	57
20.7.2 EXPENSE REQUEST.....	57
20.7.3 EXPENSE REPORT.....	57
<u>SECTION 21. INVESTMENT POLICIES AND GUIDELINES</u>	58
21.1 OVERVIEW	58
21.2 OBJECTIVES.....	58
21.2.1 SAFETY.....	58
21.2.2 YIELD.....	58
21.2.3 LIQUIDITY.....	58
21.2.4 DIVERSIFICATION.....	58
21.3 RESPONSIBILITIES	58
21.3.1 BOARD OF DIRECTORS.....	58
21.3.2 BUDGET AND FINANCE COMMITTEE.....	58
21.3.3 INVESTMENT MANAGER	59
21.4 INVESTMENT MANAGEMENT.....	59
21.4.1 INVESTMENT FUNDS.....	59
21.4.2 OPERATIONAL.....	59
21.5 ALLOWABLE INVESTMENTS FOR THE ASSOCIATION	59
21.5.1 CLASS 5 (FIXED INCOME)	59
21.5.2 CLASS 4 (TOTAL RETURN).....	60
21.5.3 CLASS 3 (HIGH QUALITY GROWTH).....	60
21.5.4 CLASS 2 (SPECULATIVE GROWTH)	60
21.5.5 INDIVIDUAL STOCKS	61
21.6 INVESTMENT LIMITATIONS AND RESTRICTIONS.....	61
21.7 INVESTMENT FUNDS EMPOWERMENT	61
21.8 EARNINGS AND VALUE REPORTING	61

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Table of Contents

SECTION 22. FINANCIAL POLICIES 62
SECTION 23. RESERVE POLICY TASK FORCE 65
 23.1 POLICY65
 23.2 GUIDELINES.....65

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Definitions

DEFINITIONS

Association	Tri-Counties Association of REALTORS®
Board of Directors	Board of Directors of the Association
Bylaws	Bylaws of the Association
CalBRE	California Bureau of Real Estate
C.A.R.	California Association of REALTORS®
CPA	Association's Certified Public Accountant and firm
Director	Member of the Board of Directors
EVP	Executive Vice President; Association's employed executive director
member	A member of the Association
membership	All members of the Association
MLS	Multiple Listing Service
NAR	National Association of REALTORS®
Officer	Elected corporate officer and Director
PWR	Pacific West Association of REALTORS®

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC. POLICIES AND PROCEDURES MANUAL

Section 1. Board of Directors

SECTION 1. BOARD OF DIRECTORS

1.1 AUTHORITY

Authorized by the Association's Bylaws and the policies of NAR, C.A.R. and/or the Association.

1.2 PURPOSE

The Board of Directors is the governing body of the Association, over and above the Association's President, EVP and all Committees. The Board of Directors has the immediate charge and control of the affairs of the Association. The Board of Directors serves the public's interests as well as the members' interests. The Board of Directors determines overall policies and makes decisions that affect the operations of the Association. The Board of Directors establishes goals and objectives of the Association. In addition to being accountable to the membership for the conduct of the Association's business, the Board of Directors major focus is future planning, including:

- 1) Defining and establishing the Association's Mission and Vision Statements;
- 2) Establishing short and long-term strategic plans, objectives and policies; and
- 3) Defining and approving program prioritization and budgeting.
- 4) Focusing on the Association's vision rather than the details.

1.3 COMPOSITION

The Board of Directors consists of 11 Directors, comprised of 4 Officer/Directors and seven REALTOR® member Directors, as follows:

1.3.1. OFFICER/DIRECTORS

A. Two Ascended Officer/Directors

The President position is filled automatically by the prior year's President-Elect. The Immediate Past President position is filled automatically by the prior year's President.

B. Two Director Elected Officer/Directors

The President-Elect and Secretary/Treasurer are appointed by the incoming Board of Directors from the eligible Directors at an Organizational Meeting held within 45 days of the annual election of Directors.

C. Executive Committee

1. The Executive Committee consists of the Officer/Directors and the Executive Vice President, who is a non-voting member at all Executive Committee meetings.
2. The duties of the Executive Committee include those duties assigned by the Board of Directors. The Executive Committee is authorized to: (a) make recommendations to the Board of Directors, and (b) conduct any business and/or take final action on any issue which has been empowered to it by the Board of Directors. The Executive Committee shall not take any action which overrules or is inconsistent with any prior action of the Board of Directors unless specifically authorized by the Board of Directors to do so.
3. The Executive Committee meets at the call of any member of the Executive Committee, including the Executive Vice President.

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC. POLICIES AND PROCEDURES MANUAL

Section 1. Board of Directors

4. A quorum for the transaction of business by the Executive Committee is a majority of the Committee, and a majority vote of those in attendance shall be required to adopt any final resolution or recommendation to the Board of Directors.
5. The Executive Committee may make time sensitive operating decisions requiring action that should not await attention at the next regularly scheduled meeting of the Board of Directors, providing the action is consistent with the Association's policies, governing documents and budget.

1.3.2 NON-OFFICER DIRECTORS

- A. Four Two-Year Elected Directors
Four Directors are elected by the membership from the REALTOR® members to serve staggered two-year terms, so that, to the extent possible, there are 2 vacancies in each annual election. In the event there are more than 2 vacancies, one or more vacancies will be filled for a one-year term for that election only as necessary to maintain staggered terms. In the event there is a vacancy for the second year of a two-year term, the vacancy will be filled with a one-year term for that election only as necessary to maintain staggered terms. To maintain staggered terms, the number of candidates who receive the highest number of votes will be elected as Directors to serve the two-year terms and the candidates who receive the next highest number of votes will be elected to serve the one-year terms.
- B. One One-Year Elected Director
One Director is elected by the membership from the REALTOR® members to serve a one-year term.
- C. Two One-Year Appointed Directors-at-Large
Two REALTOR® member Directors-at-Large are appointed by the incoming Board of Directors no sooner than the Organizational Meeting that is held within 45 days of the annual election of Directors, but no later than March of the year of service.

1.4 ELIGIBILITY REQUIREMENTS

1.4.1 ALL DIRECTORS AND OFFICERS

All Directors and Officers and candidates for a position as a Director or Officer must meet the following eligibility requirements:

- A. Be a REALTOR® member of the Association who has maintained REALTOR® membership in good standing in the Association for a minimum of 2 years immediately prior to taking office, when seated, and at all times thereafter while serving as a Director. For purposes of this section, "in good standing" means the following:
 1. The member's California real estate license has not been and is not suspended or revoked by CalBRE.
 2. The member's membership in the Association was not suspended or terminated after a final Professional Standards proceeding hearing before the Board of Directors, or for failure to pay any financial requirements such as dues, fees or fines.
 3. A candidate may not be nominated and a Director may not serve if he/she has been sanctioned for a Code of Ethics violation within the continuous 12 months immediately prior to being nominated or seated or at any time during his/her term.

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.

POLICIES AND PROCEDURES MANUAL

Section 1. Board of Directors

- B. Is not concurrently or simultaneously nominated, elected or serving on a board of directors, a committee, or a task force of another local REALTOR® Association, excluding NAR, C.A.R, or the Multiple Listing Service or a committee or a task force of any of these, unless prior written approval is given by the Board of Directors. This policy does not apply to any Director who is serving at the time this Policies and Procedures Manual is approved by the Association's Board of Directors and then only as to the completion of the Director's current term.
- C. Must attend a Professional Standards training course:
 - 1. If serving on the Board of Directors for the first time, when offered by the Association;
 - 2. No less than every 2 years;
 - 3. When deemed necessary by the Association.
- D. Is active in real estate or related business (primary source of earned income).
- E. Shall have electronic mail capacity in order to receive notices, Board of Director Agendas, and other information.
- F. A candidate or Director has the responsibility to immediately inform the President if he/she does not or will not meet any of the qualifications to be nominated, seated, or continue to serve, or to ascend to a following office.
- G. Although not mandatory, Directors and Officers should endeavor to possess the following leadership traits:
 - 1. Ability to adapt and foresee changes – progressive and proactive
 - 2. Attitude of availability and openness to members and their needs
 - 3. Reputation and respect within the real estate community
 - 4. Ability to react positively and clearly under pressure
 - 5. A coalition builder to help reach common goal(s)
 - 6. Ability to create a positive image of the Association to members and the community
 - 7. A "team" player

1.4.2 ADDITIONAL REQUIREMENTS FOR OFFICERS

- A. The President-Elect must have previously served at least one year on the Association's Board of Directors prior to taking office.
- B. The Immediate Past President must have served the previous year as the President on the Association's Board of Directors.

1.4.3 TERM LIMITS

Commencing with the 2016 Board of Directors, Directors elected for two-year terms shall serve no more than three (3) consecutive elected two-year terms, excluding service by ascendancy to the positions of President and Immediate Past President. Service for less than fifty percent (50%) of a full two (2) year term due to the filling of a vacancy created by the resignation or removal of a Director or Director/Officer shall not be counted as an elected term for purposes of counting the three consecutive elected two-year terms limit.

1.5 VACANCIES

1.5.1 OFFICER/DIRECTOR VACANCIES

- A. An Officer/Director vacancy will be filled at a regularly scheduled meeting of the Directors, no later than 60 days after the vacancy occurs.

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC. POLICIES AND PROCEDURES MANUAL

Section 1. Board of Directors

- B. Individuals filling an Officer/Director vacancy must meet the eligibility requirements for Directors and the Officer position, pursuant to the Bylaws and this Policies and Procedures Manual.
- C. President. A vacancy in the office of President will be filled by the President-Elect who will complete the balance of the term and then serve as President the following year. If the President-Elect position is vacant, the vacant office of President will be filled by a majority vote of all current Directors for the balance of the term.
- D. President-Elect. A vacancy in the office of President-Elect will be filled by a majority vote of all Directors for the balance of the term. The individual filling the vacancy will not automatically succeed to the Presidency the following year. The Board of Directors will appoint the President at the time the President-Elect and Secretary/Treasurer are appointed for that year.
- E. President and President-Elect. Concurrent vacancies in both the offices of President and President-Elect will be filled by a majority vote of all Directors for the balance of the term. The individuals filling the vacancies shall not automatically succeed to President and President-Elect, respectively, the following year. The Board of Directors will appoint the President at the time the President-Elect and Secretary/Treasurer are appointed for that year.
- F. Secretary/Treasurer. A vacancy in the office of Secretary/Treasurer will be filled by a majority vote of all Directors for the balance of the term.
- G. Immediate Past President. A vacancy in the office of Immediate Past President will not be filled, although the Director vacancy on the Board of Directors may be filled by appointment by the President for the unexpired term, subject to approval by a majority of the Board of Directors, as set forth in the Bylaws.

1.5.2 NON-OFFICER DIRECTOR VACANCIES

- A. Vacancies among the non-Officer/Directors are filled by appointment by the President for the unexpired term, subject to approval by a majority of the Board of Directors.
- B. Individuals filling a Director vacancy must meet the eligibility requirements for Directors, pursuant to the Bylaws and this Policies and Procedures Manual.
- C. If, after being elected, the newly elected Director resigns or fails to take office for any other reason, the vacancy shall be filled for the full term by appointment by the President-Elect, subject to approval by the Board of Directors.

1.6 REMOVAL OF OFFICERS AND DIRECTORS

In the event a Director or Officer/Director is deemed to be incapable or is unwilling for any reason of fulfilling the duties for which he or she is elected or the Officer position to which he or she is appointed, or is otherwise deemed unqualified, but will not resign from office voluntarily, the person may be removed from office under the following procedure:

1.6.1 A petition requiring the removal of a Director or Officer/Director and signed by not less than 20% of the REALTOR® members entitled to vote, or by a three-fourths vote of all Directors, shall be filed with the President, or if the President is the subject of the petition, with the next ranking Officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC. POLICIES AND PROCEDURES MANUAL

Section 1. Board of Directors

1.6.2 Upon receipt of the petition, and not less than 20 days or more than 45 days thereafter, a special meeting of the voting membership of the Association shall be held. The sole business of the meeting shall be to consider the charge against the Director or Officer/Director, and to render a decision on such petition.

1.6.3 The special meeting shall be noticed, including the general nature of the meeting, to all voting members at least ten days prior to the meeting, and shall be conducted by the President unless the President's continued service in office is being considered at the meeting. In such case, the next ranking Officer will conduct the meeting. Provided a quorum is present, a three-fourths vote of members present and voting shall be required for removal from office.

1.7 QUORUM

A quorum for the transaction of business by the Board of Directors shall consist of 51% of the Directors, except as may otherwise be required by state law.

1.8 ORIENTATION AND PROFESSIONAL STANDARDS TRAINING

1.8.1 Attend a Directors Orientation generally concurrent with the Association's Annual Retreat on legal trends and duties and become generally familiar with the Association's governing documents, such as the Bylaws, Code of Ethics and Multiple Listing Service Rules and Regulations.

1.8.2 All Officers and Directors serving on the Board of Directors for the first time, excluding the Executive Vice President, must attend, when offered by the Association, a Professional Standards training course. Additionally, any Director or Officer/Director serving on the Board of Directors shall attend a professional standards training course when deemed necessary by the Board of Directors by no less than every 2 years.

1.8.3 Sign the Association's Confidentiality Agreement, Whistleblower Policy, and Conflict of Interest Code prior to taking office and on an annual basis thereafter.

1.9 MEETINGS

1.9.1 The Board of Directors may conduct business only in regularly scheduled or properly called special meetings, as per Bylaws, or at an adjournment thereof, of which every Director shall be notified and at which a quorum is present. Board of Directors meetings are held at the Association's office (unless otherwise notified).

1.9.2 Absence from 3 Board of Directors meetings in a calendar year without an excuse deemed valid by the Board of Directors shall be construed as a resignation.

1.9.3 Meetings shall be conducted in accordance with Robert's Rules of Order.

- A. Minutes of previous meeting should be approved before conducting other business.
- B. Consent agenda shall also generally consist of informational reports and Committee reports.
- D. All meetings shall be non-smoking.
- E. All Directors including the elected, appointed, and ascended Director/Officers have one vote.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 1. Board of Directors

- F. Once a quorum is established, it shall remain in effect regardless of the number of Directors remaining or voting.
- G. Director's packet to be delivered prior to meeting date and Directors shall review entire packet containing items to be covered in session.

1.10 DUTIES

1.10.1 Attend all regularly scheduled and specially called Board of Directors meetings unless excused.

1.10.2 Make reasonable efforts to attend Association-sponsored events within the industry, including but not limited to broker/manager meetings, general membership meetings, trade shows or educational events.

1.10.3 Carry out assignments in a timely manner as designated by the President.

1.10.4 Maintain a high-profile and dignified presence at Association functions.

1.10.5 Make reasonable efforts to keep abreast of trends and events within the industry, the economy, and the Association to be able to assess the likely impact upon the membership and develop positive plans and objectives accordingly.

1.10.6 Avoid micromanagement by understanding the relationship between volunteer and staff in an organization where volunteer Directors make policy decisions and staff has the responsibility to insure policies are implemented and carried out.

1.10.7 Be generally familiar with Association operation and philosophies.

1.10.8 Demonstrate the willingness to devote time to the Association's responsibilities, including necessary homework and preparation.

1.10.9 Be generally familiar with new technologies and how they are impacting the industry, such as the Internet, personal computers, and emerging MLS technologies.

1.10.10 Serve on the Board of Directors' Review Panel, when asked.

1.10.11 Shall serve on Committees as authorized by the Bylaws.

1.10.12 Candidates for the Board of Directors are strongly encouraged to make an annual voluntary donation to the C.A.R. REALTOR® Action Fund ("RAF") of at least \$148.00 (the true cost of doing business) and participate in the C.A.R. political action fund(s).

1.11 DIRECTIVES

1.11.1 Committee and task force items shall be channeled through the EVP to the Chairpersons.

1.11.2 Staff items shall be channeled through the EVP.

1.11.3 All members of the Board of Directors and Officers shall have electronic mail capability in order to be able to receive notices and information from the Association and the EVP.

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.

POLICIES AND PROCEDURES MANUAL

Section 1. Board of Directors

1.11.4 Members of the Board of Directors, including all Officers, are encouraged to make an annual voluntary donation to the C.A.R. REALTOR® Action Fund (“RAF”) of at least \$148.00 (the true cost of doing business) and participate in the C.A.R. political action fund(s).

1.11.5 Telephonic communication to the Association’s counsel or accountant shall be directed through the President and/or the EVP unless otherwise directed by the Board of Directors.

1.12 EXPENDITURES

The Board of Directors shall administer the day-to-day finances of the Association. Unbudgeted capital expenditures in excess of twenty-five thousand dollars (\$25,000) may not be made unless authorized by a majority of the Association members eligible to vote who are present at a duly held membership meeting at which a quorum is present, in accordance with Article X, Section 11 of the Bylaws. However, unbudgeted expenditures required for the protection of capital assets or to respond to emergency situations may be incurred by the Board of Directors without the prior approval of the full membership of the Association. Capital expenditures are those expenditures for long term improvements chargeable to the capital asset account. Checks drawn in the course of Association business in excess of fifteen hundred dollars (\$1,500) shall require the signatures of any 2 non-related authorized signatories. Checks drawn in the course of Association business in excess of twenty-five thousand dollars (\$25,000) shall require the signatures of any 3 non-related authorized signatories. Non-related signatories shall be individuals who are not married, domestic partners, siblings, parents, children, or step-relatives of one another. The Executive Vice President and the Administrative Assistant shall not countersign the same check.

1.13 BOARD OF DIRECTORS PROFESSIONAL STANDARDS REVIEW PANEL

1.13.1 PURPOSE

To review the recommendations issued by the Hearing Panel of the Professional Standards Committee and to hear matters which were heard by the Hearing Panel of the Professional Standards Committee when a Request for Review is filed. The purpose of the Board of Directors Professional Standards Review Panel is defined in the C.A.R. Code of Ethics and Arbitration Manual.

1.13.2 COMPOSITION

The Board of Directors Professional Standards Review Panel is composed of 3 Directors and one alternate Director appointed by the President on a case-by-case basis.

1.13.3 QUALIFICATIONS

A Director appointed to serve on the Board of Directors’ Review Panel must meet each of the following qualifications during the year immediately prior to being appointed, at the time appointed, and during the term of service:

- A. Be licensed without any restriction by CalBRE.
- B. Be in compliance with the Regulations of the Real Estate Commissioner.
- C. Not have been placed on probation by CalBRE.
- D. Not have been sanctioned for a violation of the Code of Ethics within one year or have sanctions pending, or any ethics matter pending.

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC. POLICIES AND PROCEDURES MANUAL

Section 1. Board of Directors

1.14 INSPECTION AND COPYING ASSOCIATION RECORDS

1.14.1 RIGHTS OF DIRECTORS

In order to discharge their fiduciary duties, Directors generally have an absolute right, pursuant to Corporations Code, Section 1602, to inspect corporate books, records and physical properties of the Association, at any reasonable time, including the right to make copies or extracts of any such records or documents. Inspection may be demanded by the Board of Directors acting as a group, or by any Director individually, and may be conducted in person, or by agent or attorney. The Board of Directors shall make Association records available as required by California law.

1.14.2 RIGHTS OF MEMBERS

Members of the Association are not fiduciaries and therefore do not have absolute inspection rights. The members' inspection rights depend on the type of records sought to be inspected and, in certain cases, on the purpose of the desired inspection. The validity of limitations on such inspection rights depends on the type of record sought to be inspected. The Board of Directors shall make Association records generally available only as required by California law, subject to the advice of Association counsel, as follows:

- A. *Articles and Bylaws*
The member's right of inspection of the Articles and Bylaws is absolute pursuant to Corporations Code Section 213, and may be exercised during office hours at the Association's principal executive office.
- B. *Accounting Records*
The member's right to inspect accounting books and records is more limited. Such records are open to inspection at the Association's principal office at reasonable times during business hours upon written demand showing a purpose reasonably related to such member's interests as a member of the Association, pursuant to Corporations Code Section 1601(a). The right to inspect does not extend to records not reasonably related to the proper purposes for which it is sought. The member's inspection right extends only to the "accounting" records of the Association. There is no statutory right to inspect other corporate records or physical property.
- C. *Other Records and Properties*
Unless otherwise required by California law, members have no statutory right to inspect the Association's contracts or correspondence, its loan documents, or leases, or the physical facilities or properties of the Association. The lack of a statutory inspection right does not, however, prevent a member inspection of other corporate records and properties under appropriate circumstances. California common law and/or statutory law inspection rights exist wherever a member can show a proper and reasonable purpose related to their interests as members.
- D. *Privacy Protection*
Personnel records of every kind are within the zone of constitutionally-protected privacy rights and are generally not subject to member inspection or copying unless mandated by law or court process.
- E. *Member Files*
Member files, including personal financial information, is within the zone of constitutionally-protected privacy rights and is not subject to member inspection or copying unless mandated by law or court process.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 1. Board of Directors

1.15 LOCAL CANDIDATE RECOMMENDATION COMMITTEE (LCRC)

1.15.1 AUTHORITY

The CREPAC Local Candidate Recommendation Committee Cooperative Agreement

1.15.2 POLICIES AND PROCEDURES

- A. The Association names a Government Affairs Director.
- B. The procedures set forth under All Committees above as applicable and as set forth in the CREPAC Local Candidate Recommendation Committee Cooperative Agreement which is incorporated herein as amended from time to time.
- C. The Association's Government Affairs Director provides information on candidates to the Board of Directors, and the Board of Directors votes to approve contributions from the Association's CREPAC Funds to local candidates.

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC. POLICIES AND PROCEDURES MANUAL

Section 2. Executive Vice President

SECTION 2. EXECUTIVE VICE PRESIDENT

2.1 AUTHORITY

Authorized by the Association's Bylaws and in accordance with a written contract with the Pacific West Association of REALTORS® ("PWR"), under which PWR provides management services for the Association, including employment of the EVP as the chief staff person of the Association.

2.2 PURPOSE

2.2.1 Except as otherwise expressly determined by the Board of Directors and pursuant to the PWR management agreement, the EVP is the chief staff person of the Association, is not a Director or member of the Board of Directors, and shall have no voting privileges.

2.2.2 The EVP shall (a) keep the records of the Association, (b) conduct correspondence with NAR and C.A.R.; (c) recommend and participate in the formulation, enhancement, and revision of policies and programs which will further the objectives of the Association; (d) recommend, as necessary, revisions to the Association's governing documents; (e) be authorized to sign contracts in an amount up to two thousand five hundred dollars (\$2,500), bonds, checks, and other instruments in the regular conduct of the Association's business; (f) have supervisory duties over the Association staff; and (g) perform other functions and duties as prescribed by the Board of Directors.

2.2.3 The EVP shall not take any action which is inconsistent with any action of the Board of Directors and shall not have a vote on any issue.

2.2.4 The EVP shall manage, direct and be accountable for the full range of operations of the Association toward its established objectives, based on profit and return on capital, by performing the essential duties set forth in the EVP's Employment Contract and Job Description, as amended from time to time by the Association and PWR, personally or through support staff, and shall have primary responsibility to plan, direct and supervise the professional clerical employees; maintain all records, and; administer the Association budget. The EVP shall be chosen by, and his/her salary shall be fixed by agreement between the EVP and PWR. The EVP need not be a member of the Association.

2.3 POLICIES AND PROCEDURES

2.3.1 ADMINISTRATIVE

A. Budget and Finance **Error! Bookmark not defined.**

1. Collect all monies paid to the Association, maintain all membership records and accounts, approve all administrative expenditures, and render a monthly statement of income and expense for the Treasurer.
2. Work with the Budget and Finance Committee to prepare an annual budget.
3. Advise Board of Directors of renewals of contracts and confirm that they are properly reviewed by the Board of Directors and/or Legal Counsel before they are executed by the President and Secretary or their legal alternates.
4. Screen calls made to the Association's legal counsel and/or Association's CPA.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 2. Executive Vice President

5. If requested by the Board of Directors, obtain bonding/insurance for the EVP and Association employees.
- B. Office Organization and Routine **Error! Bookmark not defined.**
1. Be in charge of and have authority to contract for building and equipment maintenance and janitorial services; seek authority from Board of Directors for any one-time expenditure in excess of \$5,000, unless an emergency exists.
 2. Provide security for all files, legal and historical documents, membership, and mailing lists.
 3. Maintain continuing liaison with members of the Association to determine their requirements for service and utilization of Association facilities and staff.
- C. Records
1. Maintain all Association records.
 2. Make records available per the Bylaws and this Manual.
- D. Human Resources Function **Error! Bookmark not defined.**
1. Provide employees with information and necessary assistance to understand the Association's human resources policies and to promote a positive work environment; maintain and provide Association employees with current information on human resources policies, personnel records, insurance, benefits, and job opportunities.
 2. Maintain complete and up-to-date personnel records for all current employees.
 3. Handle all inquiries or requests for employment verifications and employee references in accordance with Association policies.
 4. Fulfill all human resources, personnel, and administrative responsibilities as provided in the Employee Handbook.
- E. Executive Structure - Officers and Directors **Error! Bookmark not defined.**
1. Consult with and advise the Association President, Officers, Directors, and Committee Chairpersons in establishing the Association's goals, objectives, policies, and programs.
 2. Prior to the installation, meet with the incoming Officers to formulate plans for the coming year.
 3. Screen all publicity, announcements, and advertising pertaining to the Association.
 4. Attend meetings of the Board of Directors and execute decisions and directives of the Association.
 5. Provide Officers and Directors with current copies of the Bylaws, MLS Rules and Regulations, Code of Ethics, and this Policies and Procedures Manual.
 6. Maintain an online events calendar.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 2. Executive Vice President

2.3.2 MEMBERSHIP

Attend meetings of the General membership.

2.3.3 COMMITTEES

- A. Make available and provide to Committees pertinent information (i.e., actions of the Association, other Committees working on same issues, past experiences, etc.).
- B. Attend or have other staff person attend Committee meetings and submit Committee reports and recommendations to Board of Directors for approval.

2.3.4 COMMUNITY ORGANIZATION

- A. Screen and review pertinent information for dissemination to the proper channels.
- B. Attend, as a representative of the Association, functions and meetings as authorized by the Board of Directors.

2.3.5 ELECTION

Oversee election and/or membership votes in accordance with California law and Association Bylaws and this Policies and Procedures Manual.

2.3.6 C.A.R. AND NAR

- A. Unless excused, attend meetings of C.A.R. and NAR, and such conferences and seminars as agreed upon between the EVP and the Board of Directors, as budgeted by the Association. These meetings and seminars may include, but are not limited to, 3 meetings annually of C.A.R., 3 Directors' meetings, including the Convention, the annual Association Executive Institute of NAR and the meetings or conventions of NAR.
- B. Act as the Regional Executive Secretary if the C.A.R. Regional Vice-President is elected from the Association, including taking minutes, and transmitting same to appropriate Regional members.
- C. Complete surveys and reports when appropriate, as requested by C.A.R. and NAR or the Board of Directors.
- D. Maintain liaison with other Boards/Associations of REALTORS®, C.A.R., and NAR.
- E. Attend or send Association representative to Regional meetings, and keep Committee Chairpersons informed as to suggested Region-wide functions.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 3. President

SECTION 3. PRESIDENT

3.1 AUTHORITY

Authorized by the Association's Bylaws.

3.2 PURPOSE

The President shall be the corporate President of the Association, a member of the Executive Committee, and shall preside at all meetings of the membership and the Board of Directors, and shall be an ex officio member of all Committees. The President shall communicate to the members of the Board of Directors such matters as, in the President's opinion, are deemed proper and tend to promote the welfare and increase the usefulness of the Association. The President shall perform all other duties as are required by law or incident to the office of President or as may be prescribed by the Bylaws and the Board of Directors. The President shall automatically serve as a C.A.R. Director.

3.3 QUALIFICATIONS

3.3.1 As set forth in the Bylaws and this Policies and Procedures Manual for Officers and Directors.

3.3.1 The President must have previously served at least one year on the Association's Board of Directors prior to taking office.

3.4 POLICIES AND PROCEDURES

3.4.1 SERVE AS PRESIDENT AND IMMEDIATE PAST-PRESIDENT

- A. Serve as President for one year and then serve one year as Immediate Past President.
- B. Serve as a member of the Executive Committee and Board of Directors; but shall not vote at meetings of the Board of Directors unless it is to break a tie vote.
- C. Preside at all meetings of the Executive Committee, the Board of Directors, and the membership.
- D. Represent the Association and act in its name, subject only to its stated policies.
- E. Appoint the Chairperson of all standing committees and task forces.
- F. Appoint the members of the Grievance Committee and the Professional Standards Committee and all other standing committees and task forces, or delegate the appointment of members of standing committees and task forces, except the Grievance and Professional Standards Committees, to the respective committee or task force Chairperson; but the President shall nevertheless retain the right to approve appointments by Chairpersons and make committee and/or task force appointments.
- G. Serve as Chairperson and voting member of the Strategic Planning Committee.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 3. President

- H. Act as ex-officio non-voting member of other committees, except the President shall not serve as a member of the Grievance, Professional Standards, and Nominating Committees.

3.4.2 PRE-INSTALLATION GUIDELINES

Prior to installation the following guidelines should apply:

- A. Attend a Directors Orientation and Professional Standards Training as described under Board of Directors.
- B. Become generally familiar with the Association Bylaws, Code of Ethics, a summary of Robert's Rules of Order, Policies and Procedures Manual, Professional Standards Rules and Regulations, and MLS Rules and Regulations.
- C. Appoint Committee Chairpersons, advisory task forces and/or advisory groups and specifically entitled appointments to Executive Committee as applicable or whenever a vacancy shall exist during the term as President, subject to approval by the Board of Directors.
- D. Consult with President-Elect and selected Chairpersons on choice of Committee members.
- E. Meet with current President and/or Past Presidents to become familiar with the office and to promote a smooth transfer of authority.
- F. Meet with Committee Chairpersons and review policies, procedures, and goals for the coming year.
- G. Delegate such Presidential duties as appropriate to President-Elect and/or other Officers throughout the year.
- H. Sign the Association's Confidentiality Agreement and Conflict of Interest Code before taking office.
- I. Have electronic mail capability in order to be able to receive notices and information from the Association and the EVP.
- J. The President is encouraged to make an annual voluntary donation to the C.A.R. REALTOR® Action Fund ("RAF") of at least \$148.00 (the true cost of doing business) and participate in the C.A.R. political action fund(s).

3.4.3 MEETINGS

- A. Schedule and coordinate Board of Directors meeting calendars:
 - 1. Check annual calendar for upcoming items in reference to election to conform to Bylaws when coordinating agenda with the EVP.
 - 2. Update Board of Directors event calendar as needed and communicate updates to Board of Directors via Board of Directors Master Calendar.
- B. Attend and conduct all Board of Directors meetings:
 - 1. Commence meetings on time.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 3. President

2. Control meetings with firm guidance and control discussion to the subject being considered.
 3. Confer with the EVP or legal counsel for decisions on parliamentary procedure.
 4. Vote only to break a tie.
 5. Relinquish the chair for entire subject if taking part in the discussion.
- C. Conduct Executive Committee meetings monthly or as necessary.
- D. Make reasonable efforts to attend all major events and Association functions and meetings, including General membership broker/manager meetings. In the event the President is unable to attend an event or function, arrange for an alternate, such as the President-Elect, to attend.
- E. Attend all special Leadership meetings and Association's Annual Retreat.
- F. Attend all Budget and Finance Committee planning meetings.

3.4.4 MEMBERSHIP

- A. Consult with and work in cooperation with the EVP.
- B. Influence the establishment of goals and objectives for the Association, which are established by the Board of Directors at Annual Retreat prior to the Budget preparation and in conjunction with staff input.
- C. Be responsible for confirming that the programs and policies of the Association reflect the needs and aspirations of the membership.
- D. Act as spokesperson and inspirational leader of the Association and take a substantial role in monitoring and evaluating organizational performance and effectiveness.
- E. Exercise personal leadership in the motivation of other Officers, Directors, Committee members and membership.
- F. Promote interest and active participation in the Association by the membership.
- G. Report activities of the Directors and the Association to the members by means of letters, publications, and/or speeches.
- H. Attend Association functions and meetings.

3.4.5 BUSINESS

- A. Serve as official spokesperson for the Association.
- B. Strive, in cooperation with the Budget and Finance Committee, to operate within an annual budget.
- C. Confirm that the Treasurer or the EVP arranges to have the Association's finances audited annually.
- D. Be available to sign checks and contracts as needed.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 3. President

- E. Monitor progress of Committees, except Grievance Committee, Professional Standards Committee, Mediation Committee, and Nominating Committee, as ex-officio member, and make appropriate recommendations.
- F. Meet with President-Elect and the EVP on regular basis to discuss Association issues and agenda items for Executive Committee and Board of Director meetings.
- G. Meet with local, state and national political leaders, broker owners and/or office managers, and marketing groups as necessary (can utilize concept of small focus group survey meetings, i.e. breakfast meetings, etc.)
- H. Comply with the Reimbursement and Expense Policy as set forth this Policies and Procedures Manual.

3.4.6 PUBLIC RELATIONS

- A. Be the official representative of the entire membership, and promote the best interests of the Association.
- B. Attend, in President's discretion, outside functions and meetings as a representative of the Association.
- C. Maintain liaison with the news media, in cooperation with the EVP.
- D. Provide interviews to news media (or designate a representative to be interviewed) regarding local real estate market conditions, industry positions or trends.
- E. Attend functions and meetings of other Boards/Associations within the Association's region.

3.4.7 SERVE AS C.A.R. DIRECTOR

- A. Attend C.A.R. Regional meetings.
- B. Attend C.A.R. Directors meetings and conventions.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 4. President-Elect

SECTION 4. PRESIDENT-ELECT

4.1 AUTHORITY

Authorized by the Association's Bylaws.

4.2 PURPOSE

The President-Elect shall perform the duties of the President when the President is absent and such duties as delegated by the Bylaws, the Board of Directors, and the President, and shall participate in and vote on Association business. Shall serve as member and/or Chairperson of all appointed Task Force Committees and/or President's Advisory Groups, as needed. The President-Elect shall be a member of the Executive Committee and may be appointed as a C.A.R. Director provided he/she accepts the appointment.

4.3 QUALIFICATIONS

4.3.1 As set forth in the Bylaws and this Policies and Procedures Manual for Officers and Directors.

4.3.2 The President-Elect must have previously served at least one year on the Association's Board of Directors prior to taking office.

4.4 POLICIES AND PROCEDURES

4.4.1 PRIOR TO BECOMING PRESIDENT

- A. Become generally familiar with, prior to taking office, the Association's governing documents, such as the Bylaws, Code of Ethics and Multiple Listing Services Rules and Regulations.
- B. Commence selection of Committee Chairpersons for his/her year as President no later than the regular September meeting during the term as President-Elect.
- C. Submit recommended Chairpersons to the Board of Directors no later than the regular October meeting.
- D. Submit recommended C.A.R. and NAR representatives in a timely fashion, subject to confirmation by the Board of Directors.

4.4.2 SERVE AS PRESIDENT-ELECT AND ASCEND TO PRESIDENCY

- A. Serve as President-Elect for one year, and automatically ascend to the Presidency at the end of his/her term as President-Elect, or upon vacancy in the position of President.
- B. Serve as a member of the Board of Directors and Executive Committee.
- C. Assume all chair duties for Board of Director meetings and Executive Committee meetings in absence of President or at direction of President.
- D. Make reasonable efforts to attend all major events of Association, including:

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 4. President-Elect

1. Annual Retreat
 2. All General membership and broker/manager meetings
 3. Represent the President and/or Association at other individual or joint local association meetings or events (other association's installations), as requested by President
- E. Perform the duties of the President when the President is absent.
- F. Set Annual Retreat dates and criteria as soon as possible with the EVP.
- G. Comply with the Reimbursement and Expense Policy as set forth this Policies and Procedures Manual.

4.4.3 ORIENTATION

- A. Attend a Directors Orientation currently with the Association's Annual Retreat on legal duties and become generally familiar with the Association's governing documents, such as the Bylaws, Code of Ethics and Multiple Listing Service Rules and Regulations;
- B. Attend a Professional Standards seminar in accordance with policies of NAR, C.A.R., and/or the Association and when deemed necessary by the Board of Directors, and no less than every 2 years;
- C. Sign the Association's Confidentiality Agreement and Conflict of Interest Code prior to taking office and on an annual basis thereafter.

4.4.4 SERVE AS C.A.R. DIRECTOR

The President-Elect shall be appointed as a C.A.R. Director provided he or she accepts the appointment. If the appointment is accepted, the President-Elect will attend C.A.R. Regional meetings, C.A.R. Leadership Conferences, and C.A.R. Directors meetings and conventions, unless excused, as defined herein.

4.4.5 SERVE AS NAR DIRECTOR

If the Immediate Past President is unable to serve as the Association's voting delegate at the Delegate Body meeting of the NAR Convention, the President-Elect may be appointed to serve in that capacity and may attend NAR Leadership Conferences, Directors meetings and conventions.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 5. Secretary/Treasurer

SECTION 5. SECRETARY/TREASURER

5.1 AUTHORITY

Authorized by the Association's Bylaws.

5.2 PURPOSE

The Secretary/Treasurer is the corporate Secretary and Treasurer (CFO) of the Association and shall work with staff on monthly and annual income and expense reports, budgets, tax returns, the receipt and disbursement of funds. It shall be the duty of the Secretary/Treasurer or designee(s), including the EVP, to keep the records of the Board of Directors and to carry on all necessary correspondence with NAR and C.A.R., and otherwise. The Secretary/Treasurer shall perform the duties of the President or President-Elect in their absence and serve as Chairperson of the Budget and Finance Committee. The Secretary/Treasurer shall be a member of the Executive Committee.

5.3 QUALIFICATIONS

As set forth in the Bylaws and this Policies and Procedures Manual for Officers and Directors.

5.4 POLICIES AND PROCEDURES

5.4.1 SERVE AS SECRETARY/TREASURER

- A. Serves as Secretary/Treasurer (CFO) for one year.
- B. Presents monthly financial status reports to the Board of Directors.
- C. Chairs and meets quarterly or as needed with the Budget and Finance Committee.
- D. Presents candidates to President for appointment to Budget and Finance Committee.
- E. Is available to sign checks and contracts, as necessary.
- F. Meets as needed with the EVP and/or PWR's Vice President of Finance and Administration or financial investment manager to review the Association's financial position.
- G. Reviews financial reports and make recommendations to the Board of Directors.
- H. Attends all major events of the Association, including:
 - 1. Annual Retreat
 - 2. Director Orientation (during Annual Retreat)
 - 3. All planning meetings
 - 4. All membership meetings
 - 5. All broker/manager meetings.
- I. Complies with the Reimbursement and Expense Policy as set forth in this Policies and Procedures Manual.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 5. Secretary/Treasurer

5.4.2 ANNUAL BUDGET

The Secretary/Treasurer is responsible for the Annual Budget, as follows:

- A. Annually in September, prepares the proposed Annual Budget in consultation with PWR's Vice President of Finance and Administration.
- B. Reviews the proposed Annual Budget in consultation with the Executive Committee (President, President-Elect, and Treasurer).
- C. Presents the proposed Annual Budget to the Budget and Finance Committee and leads the discussion during the committee's budget planning meetings during August through November.
- D. Presents proposed Annual Budget (previously approved by the Budget and Finance Committee) to the Board of Directors for review and approval.
- E. Arrange for the annual proposed budget to be presented at a meeting of the Budget and Finance Committee between August and November.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 6. Immediate Past President

SECTION 6. IMMEDIATE PAST PRESIDENT

6.1 AUTHORITY

Authorized by the Association's Bylaws.

6.2 PURPOSE

The Immediate Past President shall perform such duties as prescribed by the Bylaws and the Board of Directors, and as delegated by the President, and shall participate in and vote on Association business.

6.3 QUALIFICATIONS

As set forth in the Bylaws and this Policies and Procedures Manual for Officers and Directors.

6.4 POLICIES AND PROCEDURES

6.4.1 SERVE AS IMMEDIATE PAST PRESIDENT FOLLOWING PRESIDENCY

- A. Serve, automatically, as Immediate Past President for one year, unless elected to another position.
- B. If a vacancy occurs in the office of Immediate Past President, the vacancy shall not be filled, although the vacancy on the Board of Directors may be filled as set forth in the Bylaws.
- C. Be available to advise, from the valuable experience and knowledge gained through past year's service, whenever the occasion demands.
- D. Serve as a voting member of the Board of Directors and Executive Committee.
- E. Assist in carrying out the completion of goals from the year he/she served as President.
- F. Sign the Association's Confidentiality Agreement and Conflict of Interest Code prior to taking office and on an annual basis thereafter.
- G. Serve as member and/or Chairperson of all appointed Task Force Committees and/or President's Advisory Groups, as needed.
- H. Comply with the Reimbursement and Expense Policy as set forth this Policies and Procedures Manual.
- I. The Immediate Past President shall be designated as the Association's voting delegate at the Delegate Body meeting of the NAR Convention. If the Immediate Past President does not attend the convention, the Board of Directors may appoint another member attendee as the voting delegate.

6.4.2 MEETINGS

Make reasonable efforts to attend all major events of Association, including:

1. Annual Retreat;

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 6. Immediate Past President

2. All leadership gatherings as set out by President; and
3. All General membership and broker/manager meetings

6.4.3 NAR DIRECTOR

The Immediate Past President serves as the Association's designated voting delegate at the Delegate Body meeting of the NAR Convention. If the Immediate Past President does not attend the convention, the Board of Directors may appoint another member attendee as the voting delegate.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 7. C.A.R. Directors

SECTION 7. C.A.R. DIRECTORS

7.1 AUTHORITY

Authorized by the Association's Bylaws.

7.2 PURPOSE

Responsible for governing C.A.R. as an elected or appointed C.A.R. Director of its policy making body.

7.3 QUALIFICATIONS

7.3.1 As set forth in the Bylaws of C.A.R. and the Association's Bylaws and this Policies and Procedures Manual.

7.3.2 The following criteria must be met in order to make application as a C.A.R. Director representing the Association:

- A. Must be a REALTOR® member in good standing of the Association with no unsatisfied ethics, arbitration or mediation decisions.
- B. Must have previous REALTOR® Association experience (e.g., service on committees or task forces)
- C. Must be engaged full-time in a real estate related business.
- D. Must have electronic mail capabilities, presentation download capabilities, cell phone and text message capabilities.
- E. Must attend (unless excused by the Executive Committee) all local or state C.A.R. Directors' meetings, including all assigned committee meetings, all caucus meetings, and both C.A.R. Directors' sessions, within the calendar year and be prepared to report from any Committee to which appointed.
- F. C.A.R. Directors are encouraged to make an annual voluntary donation to the C.A.R. REALTOR® Action Fund ("RAF") of at least \$148.00 (the true cost of doing business) and participate in the C.A.R. political action fund(s).

7.4 SELECTION

REALTOR® members of the Association, within the number allocated by C.A.R., shall be designated as C.A.R. Directors, as follows:

7.4.1. The President of the Association shall be a C.A.R. Director in accordance with C.A.R. Bylaws.

7.4.2. The President-Elect shall be appointed as a C.A.R. Director, provided he/she accepts the appointment.

7.4.3 Additional C.A.R. Directors shall be appointed by the incoming President, subject to approval by the current Board of Directors.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 7. C.A.R. Directors

7.4.4 If the Association membership of a C.A.R. Director terminates for any reason, or inactivates, that individual shall cease to be a C.A.R. Director. If said individual reinstates or renews membership in the Association, he/she shall not be reinstated as a C.A.R. Director unless specifically reappointed by the President and approved by the Board of Directors.

7.4.5. If a vacancy occurs in a C.A.R. Director position, the President may fill the vacancy, subject to approval by the Board of Directors.

7.5 POLICIES AND PROCEDURES

7.5.1 SERVE AS A DIRECTOR OF C.A.R.

- A. Membership is set by C.A.R. for a one-year term.
- B. First-time Directors **MUST** attend the C.A.R. New Director Orientation.
- C. C.A.R. Directors serve at the pleasure of the President and may be removed at any time.
- D. Any C.A.R. Director with an unexcused absence shall be automatically deemed removed. The President may excuse an absence if ratified by a majority of the Executive Committee.

7.5.2 C.A.R. MEETING & TRAVEL POLICY

The following applies to all C.A.R. Directors, whether funded or unfunded, C.A.R. meeting and travel information to assist as they represent the Association at the various meetings.

- A. Regional and State Meetings
 - 1. The Regional Chair **may** call a meeting of the Directors preceding each C.A.R. meeting for the purpose of assigning attendance at C.A.R. Committee meetings and to discuss issues which may come before the C.A.R. Directorship.
 - 2. A Director representing the Association of REALTORS®, whether funded or unfunded, is required to attend the three (3) scheduled C.A.R. Directors meetings and attend all caucus and Director's sessions.
 - 3. Periodic Regional meetings may be called by the Regional Chair and/or Regional Representative and the appropriate Directors are encouraged to attend.
 - 4. Attendance at the annual C.A.R. Expo is optional. If a Director chooses to attend the Expo, it shall be the responsibility of said Director to register and pay all expenses related to the Expo.
 - 5. In the event a C.A.R. Director is unable to attend all or any part of a C.A.R. meeting referenced above, a request for an excused absence must be submitted, in writing, to the Regional Chair or Assistant Regional Chair in advance of the meeting if possible.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 7. C.A.R. Directors

6. Failure to attend meetings referenced above could result in loss of funding and/or loss of Directorship. Any Director may appeal an adverse decision of the Regional Chair/Assistant Regional Chair to the Board of Directors within 30 days of the decision.
- B. Committee Service/Attendance
1. A Director may be appointed by the Regional Chair to serve as a Regional Representative to a C.A.R. Committee, or approved as Member-at-Large to a C.A.R. committee.
 2. The Director's responsibility in either position, while in attendance at the State meeting, is to attend meetings of the appropriate Committee and also attend other committee meetings as directed by the Regional Chair.
 3. The Regional Chair may require submittal of Committee Reports after each meeting.
- C. Funding
1. Approved funded C.A.R. Directors will receive an allotment designed to represent hotel costs, transportation and applicable per diem at the rate of \$75.00/day.
 2. If Directors decide to share a room, each Director will get half of the hotel cost.
 3. If Directors decide to drive instead of fly, the director will receive the allotted cost to fly.
 4. If a Director A carpools with Director B, only Director B will receive transportation funding.
- D. Disbursement of Funding
1. Association prepaid expenses (i.e., advance ticket purchases, dinners, luncheons) will be deducted prior to issuance of any stipend.
 2. If a Director arrives late or leaves a meeting early, with an excuse approved by the Regional Chair and Association President, applicable expenses (per diem or hotel) will be deducted from the stipend check.
 3. For tax purposes, individuals are responsible for keeping their own tax records and receipts of travel expenses associated with their attendance at C.A.R. meetings. PWR is required to issue a 1099 form to the Internal Revenue Service to report the total of any such payments made during the year.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 7. C.A.R. Directors

E. Lodging/Transportation

1. Lodging

- a. Association Staff will confirm with each Director (whether funded or unfunded) his/her lodging and will book reservations accordingly.
- b. If a Director does not affirmatively confirm his/her lodging needs by the requested date, no reservations will be booked and the responsibility for securing accommodations will be the responsibility of the Director.
- c. Every effort will be made to secure accommodations at the headquarters hotel, however, it cannot be guaranteed this will occur in every instance. Single occupancy lodging shall be budgeted.

2. Transportation

Directors are responsible for making their own transportation arrangements.

3. Responsibility for Costs

1. Unfunded Directors shall bear the sole responsibility for payment of all hotel deposits, airfare costs, or any other expenses incurred.
2. If a Director changes any prearranged transportation or lodging, for which additional costs are incurred, those costs shall be the sole responsibility of the Director, even though such change may result in less hotel days being charged.
3. The cost of any transportation requested by a Director for spouse, child, or others, shall be prepaid by the Director.

7.5.3 ANNUAL REVIEW

This policy shall be reviewed annually by the Board of Directors (or by a Task Force appointed by the President and approved by the Board of Directors). The amount of funding, if any, shall be considered by the Budget & Finance Committee in its annual budgetary process for recommendation to the Board of Directors, who shall have final authority.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 8. NAR Directors

SECTION 8. NAR DIRECTOR(S)

8.1 AUTHORITY

Authorized by the Association's Bylaws.

8.2 PURPOSE

Responsible for governing NAR as an elected or appointed member of its policy-making body by the Association.

8.3 QUALIFICATIONS

8.3.1 As set forth in the Bylaws of NAR.

8.3.2 The following criteria must be met in order to serve as an NAR Director representing the Association:

- A. The Past President of the Association shall always serve as an NAR Director during his/her year of service as Past President.
- B. Must be a member in good standing of the Association.
- C. Must be a C.A.R. Director during the term as an NAR Director.
- D. Must have previous REALTOR® Association experience (e.g., service on committees, task forces, etc.)
- E. Must be active in real estate on a full-time basis as an agent, manager, or broker/owner. The area of activity may be residential resale, commercial, or property management.
- F. Must be willing to attend all meetings of the C.A.R. Directors and NAR meetings on an unfunded or partially funded basis.
- G. Candidates should have good communication skills and be a "people" person.
- H. Candidates should demonstrate a history of involvement in local, state, and national association activities, although previous involvement is not mandatory.
- I. It is highly recommended that candidates contribute at least at the California Silver Bear level, indicating their commitment to organized real estate and political involvement.

8.4 POLICIES AND PROCEDURES

8.4.1 SERVE AS A DIRECTOR OF NAR

- A. Service is set by NAR for a one year term.
- B. The individual's service during the term will be reviewed and the individual may be eligible for reappointment.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 8. NAR Directors

- C. Vacancies shall be filled by appointment of the President, subject to approval of the Board of Directors.

8.4.2 SELECTION.

The Association's Past President is automatically an NAR Director.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 9. Affiliate Members

SECTION 9. AFFILIATE MEMBERS

9.1 AUTHORITY

Authorized by the Association's Bylaws and this Policies and Procedures Manual.

9.2 GOVERNANCE

Affiliates are bound by the Bylaws, Policies and Procedures, and resolutions of the Association and its Board of Directors (the Governing Documents).

9.3 PURPOSE

The purpose of the Affiliate Membership is to support the Association and its membership, promote goodwill through social and professional activities, offer educational assistance to the Association and its members, and provide on-going open communication between Affiliates and members of the Association through its Board of Directors and staff.

9.4 QUALIFICATIONS FOR AFFILIATE MEMBERSHIP

Affiliates are engaged in activities related to the real estate profession, who have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association. Any person, firm, or entity that establishes an office within the Association's jurisdiction qualifies to become an affiliate member of the Association, pursuant to the Association's Bylaws.

9.5 PRIVILEGES AND DUTIES OF AFFILIATE MEMBERS.

9.5.1 Affiliates will have the rights and privileges and be subject to the obligations prescribed from time to time by the Board of Directors.

9.5.2 Affiliates have a duty to abide by the applicable Governing Documents of the Association. Affiliates may be reprimanded, placed on probation, suspended, or expelled for a violation of the Governing Documents. If a hearing is required, it will be held in the Executive Session at a regular or special meeting of the Board of Directors. The Board of Directors may suspend an Affiliate for cause prior to a hearing if, in the sole opinion of the Board of Directors, it is necessary to safeguard the Association's assets, prevent liability, or protect the Association's members or representation. The Staff will advise after the Board of Directors has taken action.

9.5.3 Although not subject to the Code of Ethics and its enforcement by the Association, Affiliates are encouraged to abide by the principles established in the NAR Code of Ethics and to conduct their business and professional practices accordingly. Further, any Affiliate may be subject to the discipline provided herein.

9.5.4 As described above, for any conduct that, in the opinion of the Board of Directors, reflects adversely on the real estate industry or the terms REALTOR® or REALTORS® and for conduct that is inconsistent with or adverse to the objectives and purposes of the Association, C.A.R. or NAR, an Affiliate may be reprimanded, placed on probation, suspended or expelled for sexual or other harassment of an Association or MLS employee, or member, or other Affiliate after a hearing in accordance with the established procedures of the Association. Harassment includes any verbal or

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.

POLICIES AND PROCEDURES MANUAL

Section 9. Affiliate Members

physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the Board of Directors may be made by an investigatory team comprised of members of the Board of Directors or others appointed by the President, such as staff or Association counsel.

9.6 RESTRICTED FROM SERVICE

Affiliate members may not serve on the Grievance Committee, Professional Standards Committee, or Nominating Committee. No more than one Affiliate member may serve on the Budget and Finance Committee.

9.7 APPLICATION FOR MEMBERSHIP

An individual or firm may become an Affiliate upon (1) completion and submission of the appropriate documentation, (2) payment of the required application fee, dues, and committee assessment, and (3) completion of any other requirements required by the Association Bylaws, this Policy, or the Board of Directors. The Association staff, through the EVP or designee, will determine whether the applicant is applying for the appropriate class of membership.

9.8 APPLICATION FEE

The Board of Directors may adopt a reasonable application fee for Affiliate membership. The application fee for an individual or firm shall (1) not exceed 3 times the amount of the annual dues, (2) accompany each application for membership, and (3) become the property of the Association upon applicant completing the membership application requirements and give notice to the Board of Directors of such.

9.9 DUES

The annual dues for Affiliate membership will be in such amount as established annually by the Board of Directors and will be payable annually in advance on the first day of July. Dues for new members will be computed from the first day of the month in which a new Affiliate is notified of acceptance and will be prorated for the remainder of the year. Affiliate membership is limited to real estate owner, and other individuals or firms engaged in activities related to the real estate profession, who do not qualify for REALTOR® membership. Any Affiliate who initiates bankruptcy proceedings may be placed on a "cash basis" from the date the bankruptcy petition is filed until one year from the date that the Affiliate has been discharged from bankruptcy. All Affiliate dues or fees paid to the Association are nonrefundable.

9.10 NON-PAYMENT OF DUES

The membership and all rights of any Affiliate whose dues are not timely paid will be suspended, and a late charge in an amount as determined by the Board of Directors will be assessed. If, after suspension, the dues are not paid by the date noticed, the membership of the nonpaying Affiliate will automatically terminate.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 9. Affiliate Members

9.11 AFFILIATE USE OF THE TERMS REALTOR® AND REALTORS®

Affiliate members may not use the terms REALTOR® or REALTORS® nor the imprint of the emblem seal of NAR.

9.12 GENERAL RULES

In addition to the Bylaws, this Policies and Procedures Manual, and resolutions passed by the Association's Board of Directors, the following general rules shall apply:

9.121.1 All REALTOR® and MLS members are entitled to attend any event conducted by Affiliates unless any limitation is approved by Association staff.

9.12.2 All written notices, speaker requests, representations, fundraisers, or other advisements/advertisements must be approved in writing in advance through the Association's EVP.

9.12.3 All Affiliate activities, functions, seminars, and other events shall be subject to and conducted in strict compliance with the Association's Alcohol Policy.

9.13 AMENDMENT TO POLICIES

These Policies may be amended or repealed by the Board of Directors of the Association in its sole discretion.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 10. All Committees

SECTION 10. ALL COMMITTEES

10.1 AUTHORITY

Authorized by the Association's Bylaws and/or NAR policies. Committees have no authority to sign contracts or incur debt. Committees may not speak for the Association without explicit delegation of the President of the Association. Committee chairs may not have stationery, notepads or business cards implying they speak for the Association. Any action of a committee shall be subject to the approval of the Board of Directors.

10.2 PURPOSE

The primary function of a committee is to contribute to the efficient operation of an organization. A committee is concerned with communication of information and with assisting the leadership in making decisions by providing necessary information.

10.3 STANDING COMMITTEES

10.3.1. Standing committees perform a continuing function necessary to the ongoing operation of the Association.

10.3.2 Only active Association REALTOR® members may serve on Association standing committees or special / ad hoc committees.

10.3.3 All REALTOR® members in good standing of Association are eligible to serve on committees, subject to training required, as applicable.

10.3.4 Affiliate members may serve on standing committees with the exception that they may not serve on the Grievance, Professional Standards or Nominating Committees.

10.4 NON-STANDING COMMITTEES

10.4.1 Special committees and ad doc committees are formed to accomplish a specific objective. The Association may form a special committee to handle a specific subject. When that project is completed, the committee disbands.

10.4.2 The Affiliate Committee is comprised of active Association Affiliate members and does not disband.

10.4.3 Task forces may be appointed from among the REALTOR® members and Affiliate members as directed by the Board of Directors or may be appointed by the President as the President deems necessary, without approval by the Board of Directors.

10.4.4. Chairs and members of non-standing committees for the following year are appointed by the President from among the REALTOR® and Affiliate members. Approval by the Board of Directors is not required.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 10. All Committees

10.5 CHAIR DUTIES

10.5.1. All committee Chairs must attend Orientation.

10.5.2 Each committee is subject to the call of the Chair on specified dates and on such other occasions as the Chair deems advisable.

10.5.3 It is the responsibility of the committee Chair to fill out a Committee Report form and turn it into the EVP after each meeting.

10.5.4 Members of special committees or task forces shall be appointed by the President from among REALTOR® members in good standing and approved by the Board of Directors.

10.6 PRESIDENT'S ROLE

10.6.1 The President is given notice of all committee meetings.

10.6.2 The President is an ex-officio non-voting member of every committee, except the Grievance Committee, the Professional Standards Committee, and the Nominating Committee.

10.6.3 The President serves as Chairperson and voting member of the Strategic Planning Committee.

10.6.4 The President has the right to appoint, from among the REALTOR® and Affiliate members, the Chairpersons and members of all standing committees and task forces, including the Grievance Committee and the Professional Standards Committee. Approval by the Board of Directors is not required. If a vacancy occurs, the President will appoint a replacement.

10.6.5 The President may delegate the appointment of members of standing committees and task forces, except the Grievance Committee and the Professional Standards Committee, to the respective committee or task force Chairperson, but retains the right to approve the Chairperson appointments and make committee and task force appointments.

10.6.6 The President has the power to remove any committee member or Chairperson with Board of Director consent.

10.7 STAFF SUPPORT

The EVP may assign staff support for each committee to assist with preparing and disseminating notices and correspondence and preparing minutes of meetings.

10.8 EVP APPROVAL OF COMMUNICATIONS

Any communication regarding the committee intended for publication shall be submitted to the EVP in writing prior to dissemination to the public or the membership.

10.9 GENERAL OPERATIONAL RULES AND PROCEDURES

10.9.1 Calls to Association's legal counsel and EVP must be channeled through the President and/or the EVP.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 10. All Committees

10.9.2 No Committee may contractually or financially bind or obligate the Association or its membership without the written approval of Board of Directors.

10.9.3 All correspondence, contracts, and advertisements must be directed to the Association business office address to the attention of the EVP.

10.9.4 All correspondence and/or press releases shall be approved by the President and/or the EVP and processed through office staff.

10.9.5 Association stationery shall not be used without the express written permission of the EVP.

10.9.6 If provided by the Association, Committee Chairpersons shall attend an orientation regarding legal duties provided by the Association.

10.9.7 Committee Chairpersons shall abide by and may receive a copy of the following:

1. Association Bylaws
2. Policies and Procedures Manual
3. Rules and Regulations of particular Committee, if any
4. Conflict of Interest Code

10.9.8 Committee members shall sign the Association's Confidentiality Agreement and Conflict of Interest Code prior to taking office.

10.10 MEETING CALL AND NOTICE

10.10.1 May be called by the Chairperson, any 2 Committee members, or the President.

10.10.2 Shall be scheduled through the Association office and held in an Association facility, during normal Association office hours.

10.10.3 Meeting notice is to be sent out by Association staff at least one week prior to meeting. All Committee Chairs and members, including Professional Standards and Grievance, shall have electronic mail capacity in order to receive notices and other information.

10.11 QUORUM

A quorum for transaction of business is 3 committee members, including the Chairperson.

10.12 MEETING ATTENDANCE

10.12.1 Failure by a Committee member to attend 3 regular or special meetings of their Committee during the calendar year shall be construed as a resignation. An automatic resignation from the Committee takes place at the end of the third absence during the calendar year from regularly or specially scheduled meetings, unless such absence is due to an emergency, such as a death in the immediate family or other valid excuse as defined in the Section on Directors above.

10.12.1 Staff shall maintain a minute notebook filed with the EVP.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 10. All Committees

10.13 REPORTING

All Committee recommendations must be forwarded to the EVP for presentation to Board of Directors for possible action.

10.14 FISCAL RESPONSIBILITY

10.14.1 Budget proposals should be submitted to the Budget and Finance Committee by September 15th for the following year, or as soon as practical before the end of the third quarter.

10.14.2 Requests for all non-budgeted expenditures must be submitted to the Budget and Finance Committee through the EVP and approved by the Board of Directors.

10.14.3 Approved budgeted requests will be presented to staff for processing.

10.14.4 All motions having a financial impact to the Association must follow the procedure set forth in this Fiscal Responsibility section.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 11. Events Committee

SECTION 11. EVENTS COMMITTEE

11.1 AUTHORITY

Standing committee authorized by the Association's Bylaws.

11.2 PURPOSE

The primary function of the Events Committee is to help plan and execute the different events that the Association offers, including general membership meetings, membership appreciation days, picnics, nights out, and other events as planned by the Committee.

11.3 QUORUM

A quorum for transaction of business is 3 committee members, including the Chairperson.

11.4 RULES AND PROCEDURES

11.4.1 The Events Committee is open to any Association member.

11.4.2 Rules and procedures are established by the Board of Directors and/or the Committee as appropriate and necessary for the individual events being planned and put on..

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 12. Budget and Finance Committee

SECTION 12. BUDGET AND FINANCE COMMITTEE

12.1 AUTHORITY

Standing Committee authorized by the Association's Bylaws.

12.2 PURPOSE

12.2.1 Identify issues affecting Association needs.

12.2.2 Identify forces that may affect the Association's financial resources.

12.2.3 Develop the annual budget incorporating the goals set during the Annual Retreat, or at Director meetings.

12.2.4 Propose annual schedule of dues and fees.

12.2.5 Review Association's financial position and accounts at least quarterly.

12.2.6 Provide reports of highlights to Board of Directors at least quarterly.

12.2.7 Keep abreast of the Association's tax consequences and create plan(s) to minimize tax liability.

12.3 QUORUM

Majority of Committee members, including the Chairperson.

12.4 MEMBERSHIP AND TERM

12.4.1 The Budget and Finance Committee shall be comprised of the President, President-Elect, and Secretary/Treasurer, and five (5) REALTOR® committee members in good standing appointed by the President and approved by the Board of Directors.

12.4.2 The members shall each serve a one year term.

12.4.3 The Board of Directors will review the committee member participation annually.

12.4.4 The Secretary/Treasurer shall serve as the Chairperson.

12.4.5 The President-Elect may appoint a Vice Chair, subject to confirmation by the Board of Directors, after consultation with the incoming Secretary/Treasurer.

12.5 POLICIES AND PROCEDURES

12.5.1 The Committee will meet quarterly, or as needed.

12.5.2 The Committee members have a fiduciary duty to review the Association's financial position and accounts quarterly.

12.5.3 Prepare quarterly highlight reports and present to the Board of Directors at its meetings.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 12. Budget and Finance Committee

12.5.4 Propose annual schedule of dues and fees.

12.5.5 Prepare the proposed Annual Budget, after consultation with the Vice-President of Finance and Administration and EVP, for efficient utilization of financial resources and incorporating the goals set during the Annual Retreat prior to submission to the Board of Directors. Keep notes on all line items to enable Directors to determine how budget amounts were derived.

12.5.6 Review unbudgeted financial requests and make recommendations to the Board of Directors for adjustments required in the total budget and the impact thereon.

12.5.7 The auditors will initially present the audit report to the Budget and Finance Committee and the audit report will be on the Board of Directors' consent calendar unless, in the opinion of the Executive Committee, the EVP, or the Finance Chair, there are significant issues in the audit that should be discussed by the Board of Directors.

12.5.8 Review with Association's CPA the annual audit and the financial condition of the Association prior to presentation to the Board of Directors

12.5.9 Review Association's compliance with the Association's investment procedures and current policies.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 13. Grievance Committee

SECTION 13. GRIEVANCE COMMITTEE

13.1 AUTHORITY

Standing Committee Authorized by NAR, C.A.R., and the Association's Bylaws.

13.2 PURPOSE

13.2.1 Review and investigate complaints from members or the public to determine whether or not they warrant a formal hearing, to investigate charges of unethical conduct against Association members, and to present gathered facts to the Professional Standards Committee Panels for adjudication and possible disciplinary action.

13.2.2 The function of the Grievance Committee is to make only such preliminary investigations and evaluation of the complaint as required to determine whether the complaint warrants further consideration by a Hearing Panel of the Professional Standards Committee.

13.2.3 The Grievance Committee does not conduct hearings and does not determine if a violation of the code of ethics has occurred.

13.3 QUORUM

Majority of Committee members, including the Chairperson.

13.4 MEMBERSHIP AND TERM

13.4.1 The President shall annually appoint for about 8 members, all of whom shall be REALTOR® members in good standing of the Association and participants in the Association's Multiple Listing Service or subscribers; Affiliate members may not serve on the Grievance Committee.

13.4.2 Members shall be in compliance with the Regulations of the Real Estate Commissioner for one year immediately prior to being appointed and when appointed.

13.4.3 Members shall be licensed by CalBRE and such license shall not have been restricted at the time of appointment or one year immediately prior to being appointed.

13.4.4 Members shall not have been placed on probation by CalBRE one year prior to being appointed or when appointed.

13.4.5 Members shall not have been sanctioned for a violation of the Code of Ethics within one year immediately prior to being appointed or have sanctions pending during their term.

13.4.6 The President or President-Elect shall annually designate the Chairperson of the Committee.

13.4.7 The EVP or his/her designee shall serve as the Secretary of the Committee.

13.4.8 Committee members must have attended a Professional Standards Seminar after appointment to the Grievance Committee and at least every 2 years.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 13. Grievance Committee

13.4.9 Committee members shall sign the Association's Confidentiality Agreement and Conflict of Interest Code prior to taking office.

13.5 MEETINGS

13.5.1 The EVP and/or his/her designee shall be present at all Committee meetings.

13.5.2 There shall be no restriction on attendance at general business meetings of the Grievance Committee.

13.5.3 Meetings to discuss cases shall be restricted to Committee members, the EVP and/or his/her designee, and/or legal counsel for the Association only.

13.6 DUTIES

13.6.1 The Chairperson shall chair the meetings, assign cases and may, at his/her discretion, review cases.

13.6.2 In the absence of the Chairperson, the Vice Chairperson shall assume the duties of the Chairperson.

13.6.3 The EVP or his/her designee shall have no voting rights.

13.7 POLICIES AND PROCEDURES

13.7.1. As defined in the Bylaws and C.A.R. Code of Ethics & Arbitration Manual, as from time to time amended.

13.7.2 The Secretary (EVP) or his/her designee shall promptly refer any complaint to the Chairperson of the Grievance Committee.

13.7.3 The Chairperson shall promptly designate one or more members of the Grievance Committee to investigate and gather facts to present to the Grievance Committee to determine whether to:

- A. Dismiss the complaint as unworthy of further consideration;
- B. Refer the complaint back to the complainant as appropriate for arbitration rather than disciplinary action; or for amendment, or,
- C. Refer the complaint back to the Secretary (EVP) or his/her designee for the setting of a hearing.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 14. Nominating Committee

SECTION 14. NOMINATING COMMITTEE

14.1 AUTHORITY

Standing committee authorized by the Association's Bylaws.

14.2 PURPOSE

To select one or more candidates for each office and each place to be filled on the Board of Directors. Present to the Association's REALTOR® members a slate of REALTOR® candidates duly qualified to serve on the Board of Directors for the terms, as set forth in the Bylaws and this Policies and Procedures Manual.

14.3 COMPOSITION

14.3.1 The President-Elect (incoming President) serves as Chairperson of the Nominating Committee and appoints 4 committee members from REALTOR® members in good standing of the Association, subject to approval by the Board of Directors.

14.3.2 No member of the Committee may be a candidate for any elective Officer or Director position, either by petition or nomination by the Committee.

14.3.3 The Committee remains intact to perform the same services for any special elections of Officers and/or Directors that may be necessary or required, per Bylaws.

14.4 MEETINGS

As required.

14.5 QUORUM

Majority of Committee members, including the Chairperson.

14.6 POLICIES AND PROCEDURES

14.6.1 The Nominating Committee shall work independently from the Board of Directors.

14.6.2 The President and EVP should be available to advise, but shall not participate during any deliberations regarding a possible slate.

14.6.3 Committee members shall keep all discussions, deliberations and decisions of the Committee completely confidential.

14.6.4 All notices, reports and ballots in connection with the election or removal of Officers and Directors may be accomplished by personal delivery, first class mail, facsimile, electronic mail or other electronic means.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 14. Nominating Committee

14.6.5 The qualifications for office which must be met at the beginning of the term for which nominated, as set forth in the Bylaws and this Policies and Procedures Manual, include but are not limited to the following:

- A. REALTOR® Member in good standing for 2 years immediately prior to taking office.
- B. No person may be a candidate if he or she is concurrently or simultaneously nominated, elected or serving on a board of directors, a committee, or a task force of another REALTOR® Association, excluding such service for C.A.R. and/or NAR or their Multiple Listing Service, committees, or task forces.
- C. No person may be nominated unless he/she meets all qualifications for office at the beginning of the term for which he/she is a nominee.
- D. No person may be a candidate for more than one position whether nominated by the Nominating Committee or by petition.
- E. Except for the Secretary/Treasurer, no person may be a candidate for more than one position at the same time.
- F. Candidates are strongly encouraged, at a minimum, to make a donation to the C.A.R. REALTOR® Action Fund (“RAF”) of at least \$148.00 (the true cost of doing business) and participate in the C.A.R. political action fund(s).

14.6.6 The Election Timeline is as follows:

- A. At least 3 months before the annual election (no later than March 31), the President-Elect (incoming President) appoints the Nominating Committee
- B. The Application to run for a Director office is posted on the Association website and emailed to the membership. (no later than April 11)
- C. Applications are accepted (until April 25)
- D. The Committee meets at least 3 times (during April through June) .
- E. The Committee will have (*no later than May 7*):
 - 1. Developed candidate questions
 - 2. Reviewed all applications and petitions submitted by REALTOR® members;
 - 3. Conducted interviews of the applicants;
 - 4. Verified the qualifications of each applicant and determine that each is eligible to be elected and serve as a Director.
 - 5. Approves all qualified applicants on the ballot for vote by the membership.
- F. The Committee Chairperson delivers the Report of the Nominating Committee to the Board of Directors (*no later than May 16*).
- G. Notice of the Nominees is given to the membership (*no later than May 23*).
- H. Nominations by Petition are reviewed by the Committee to confirm the following (*no later than May 30*):
 - 1. The petition is signed by at least 5% (approximately 100) of the REALTOR® members eligible to vote.
 - 2. The petition was filed with the EVP at least 21 days before the election.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 14. Nominating Committee

3. The qualifications of the candidate are confirmed and it is determined that the candidate is eligible to be elected and serve as a Director.
 4. Notice of additional candidates is delivered to all members eligible to vote at least 14 days before the election. *(no later than June 6).*
-
- I. The entire slate of the Nominating Committee shall be communicated to all voting members in accordance with the Bylaws at least 4 weeks prior to the election date.
 - J. The Polls open at 8:00 am *(on June 23)*
 - K. The Polls close at 4:00 pm *(on June 30)*

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 15. Professional Standards Committee

SECTION 15 PROFESSIONAL STANDARDS COMMITTEE

15.1 AUTHORITY

Standing Committee: Authorized by the Association's NAR, C.A.R. and Association Bylaws.

15.2 PURPOSE

15.2.1 Responsible for enforcement of the NAR Code of Ethics, Multiple Listing Service Rules and Association Bylaws or Rules through a hearing and entry of an award by the Professional Standards panel, but does not include conversion into a collection of a civil court judgment.

15.2.2 Provides procedures for enforcement of the NAR Code of Ethics, Multiple Listing Service Rules and Association Bylaws or Rules.

15.2.3 Provides hearings for alleged violations of the NAR Code of Ethics, Multiple Listing Service Rules and Association Bylaws or Rules.

15.2.4 Provides arbitration hearings pursuant to NAR Code of Ethics Article 17 disputes between REALTORS® or REALTOR® and their clients.

15.2.5 Provides an Ethics Advocate.

15.3 QUORUM FOR COMMITTEE MEETINGS

A quorum for the transaction of business is 3 committee members, including the Chairperson.

15.4 MEMBERSHIP AND TERM

15.4.1 The President shall annually appoint for staggered 3 year terms, as many members as are necessary, all of whom shall be REALTOR® members. Presently this Committee ranges from 60 to 85 members.

15.4.2 Members must have served on the Grievance Committee for 3 years prior to serving on the Professional Standards Committee.

15.4.3 Committee members must have attended a Professional Standards Seminar after appointment to the Grievance Committee and at least every 2 years.

15.4.4 Members shall be in compliance with the Regulations of the Real Estate Commissioner for one year immediately prior to being appointed and when appointed.

15.4.5 Members shall be licensed by CalBRE and such license shall not have been restricted at the time of appointment or one year immediately prior to being appointed.

15.4.6 Members shall not have been placed on probation by CalBRE one year prior to being appointed or when appointed.

15.4.7 Members have not have been sanctioned for a violation of the Code of Ethics within one year immediately prior to being appointed or have sanctions pending during their term.

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC. POLICIES AND PROCEDURES MANUAL

Section 15. Professional Standards Committee

15.4.8 Members shall be licensed by CalBRE and in compliance with the Regulations of the Real Estate Commissioner when appointed.

15.4.9 Members shall be licensed by CalBRE and in compliance with the Regulations of the Real Estate Commissioner for one year immediately prior to being appointed.

15.4.10 Members have not been sanctioned for a violation of the Code of Ethics within one year immediately prior to being appointed nor have sanctions pending during their term.

15.5 POLICIES AND PROCEDURES

15.5.1 BYLAWS AND CODE OF ETHICS

As defined in the Bylaws and *C.A.R. Code of Ethics & Arbitration Manual*, as from time-to-time amended.

15.5.2 CONFIDENTIALITY

Committee members shall sign the Association's Confidentiality Agreement and Conflict of Interest Code prior to taking office and on an annual basis thereafter.

15.5.3 APPROVED BY BOARD OF DIRECTORS

Any additional policies, procedures, forms or regulations shall not conflict with this Manual and shall be presented to the Board of Directors or their designee for approval prior to implementation.

15.5.4 FEES

Association may charge the maximum fees allowed as outlined in the most current *NAR Code of Ethics and Arbitration Manual* and *C.A.R. Code of Ethics and Arbitration Manual* for filing fees, review fees, administration fees, continuance fees, tape copying fees, photocopying fees and other applicable fees.

15.5.5 ARBITRATION AWARD ENFORCEMENT

Neither NAR nor C.A.R. has a policy requiring a local Association of REALTORS® to enforce arbitration awards or accept and process ethical complaints for failure of the respondent to pay an arbitration award. Local Associations of REALTORS® are free to decide whether to establish such policies and procedures. The Board of Directors of Association has elected to establish this policy that the Association's responsibility ends upon the rendering of an award by the Professional Standards Panel, and any request for Board of Director review. The Association will not accept Disciplinary Complaints by the recipient of an arbitration award (whether or not confirmed as a judgment entered by a civil court) against the opposing party for failure to comply with the arbitration award or judgment. Nothing in this policy and procedure will prevent the Association from accepting and processing Disciplinary Complaints deemed by it to be appropriate by the Grievance Committee under Article 14 of the NAR Code of Ethics. (Date of implementation, June 2, 1010.)

15.5.6 HEARINGS

Hearings are "on call." Hearing tribunals are defined in the C.A.R Code of Ethics and Arbitration Manual.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 15. Professional Standards Committee

15.6 REMOTE TESTIMONY POLICY & GUIDELINES

15.6.1 STIPULATION OR WRITTEN REQUEST

- A. Unless stipulated in writing by all parties to the proceeding that remote testimony is acceptable, a party (or witness) requesting remote testimony at an arbitration or disciplinary hearing must send a request in writing no later than 15 calendar days before the hearing to the Professional Standards Administrator. The request must be copied to all parties and must clearly set forth by sworn declaration:
1. The reason(s) why postponement or rescheduling to permit personal attendance is not feasible, and
 2. Why the remote party's (or witness') participation is necessary to have a fair hearing.
 3. The reason(s) for the need for remote testimony, such as distance, disability or other travel restriction. This should be done with specificity.
- B. Opposing Party will have five days after receipt of this request to respond in writing objecting to the remote testimony. Copies of Opposing Party's response must be sent to the Professional Standards Administrator and copied to all parties. Silence will be deemed as a non-objection.
- C. The Administrator will present the request and any opposition to the Hearing Panel Chair and will subsequently notice all parties, either approving or refusing remote testimony. If approved, the notice will set forth the time and method of remote testimony. If the request is made prior to the hearing being scheduled, the Professional Standards Chairperson will approve or deny the request.

15.6.2 IMPLEMENTING APPROVED REMOTE TESTIMONY

- A. The Presiding Officer will provide instruction that cross-talk or talking at the same time as another individual, is strictly prohibited.
- B. The Presiding Officer will swear in the remote party/witness. No testimony will be permitted until the parties and/or witnesses have been sworn in.
- C. The Presiding Officer will confirm if anyone is present with the party/witness.
- D. The Presiding Officer will confirm that the remote party/witness has access to email and/or a fax machine in the event documents are submitted by the opposing party that requires review by the party/witness.
- E. If the party/witness is using a cell phone, he/she should be reminded that the hearing may take several minutes so their battery life should be sufficient.
- F. The Association has the option, at the Association's discretion, to require the location of the remote testimony to be at a bank, at a local Association of REALTORS®, or some other location designated by the Association (**OR** the Association will not require a specific location for the remote testimony). The Association may also require or allow video conferencing or other electronic conferencing, with the party requesting the remote testimony to bear any related costs. The Professional Standards Administrator will notify the remote party/witness of how and where the remote testimony will take place at the time the request for remote testimony is granted.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 15. Professional Standards Committee

15.6.3 FURTHER GUIDELINES

- A. Once party/witness is sworn in, he/she must declare that he/she is speaking of his/her own free will and is not under duress of any kind.
- B. If the remote party/witness is represented by an attorney or accompanied by another individual who will also be speaking on the record, NAR rules require counsel's personal appearance. Counsel is permitted to participate in ethics or arbitration hearings only in the physical presence of Hearing Panels.
- C. If the party/witness is using the telephone to submit testimony, the caller should be instructed that he/she is responsible for reconnecting with the panel at the earliest moment, if the party/witness gets disconnected.
- D. Remote Testimony may be terminated at the discretion of the Panel at any time.

15.7 MEDIATION/OMBUDSMAN PROGRAM

15.7.1 AUTHORITY

The Mediation/Ombudsman Committee is a special committee authorized by the Association's Bylaws and by the Board of Directors.

15.7.2 PURPOSE

- A. Conduct mediation and/or ombudsman activities in accordance with procedures established in the Association's Mediation Manual and California law.
- B. Provide ongoing training to members of the Committee to maintain the desired high level of standards.
- C. Inform Association members of the benefits of mediation.
- D. Provide mediation and/or ombudsman services and information to the members of the Association, and, in time to members of the Commercial Association, to the general public, and to other associations.

15.7.3 QUALIFICATIONS

- A. Members of the Committee will be designated by the Mediation/Ombudsman Committee Chair, confirmed by the President, and will be required to receive approved training prior to serving as a mediator. Mediators shall hold a current Broker's license or be a REALTOR ®/Attorney.
- B. Approved training, qualifications and standards required for members to become a mediator are as follows:
 - 1. A minimum of five (5) years of experience in real estate.
 - 2. Prior ethics or arbitration experience as demonstrated by service on a Professional Standards Committee for a period of at least 3 years. Comparable experience may be substituted at the discretion of the Committee, and will qualify the person as a member upon approval and confirmation by the President and Board of Directors.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 15. Professional Standards Committee

3. Must have previously served as a panelist in at least five (5) ethics and/or arbitration hearings for Professional Standards. Each mediator shall have chaired at least 2 ethics and/or arbitration panels for Professional Standards and shall be thoroughly familiar with the California Code of Ethics and Arbitration Manual, and the Association's Mediation Manual.
4. Have strong communication skills. In dealing with people, the mediator/ombudsman shall demonstrate essential tact and diplomacy, as well as the ability to keep calm under pressure.
5. Training will consist of approved practical and classroom mediation or ombudsman training.

C Levels of Mediator Experience

1. Senior Certified Mediator: A mediator who has conducted 5 or more mediation conferences on a professional basis; who has been a member of the Mediation/Ombudsman Committee for a minimum of 2 years; and who has a minimum of 20 hours of lecture and discussion classroom training.
2. Certified Mediator: A mediator who has completed the approved training; who has met the qualifications and standards criteria; and who has conducted fewer than five (5) mediation conferences.

15.7.4 MEMBERSHIP AND TERM

- A. The Mediation/Ombudsman Committee shall be composed of no fewer than 6 members, each of whom shall serve a minimum term of 3 years. Terms should be staggered for purposes of continuity.
- B. Absence from a mediation conference previously committed to, or absence from 2 or more consecutive Mediation/Ombudsman Committee meetings, without excuse or just cause acceptable to the Chair, is grounds for removal from the Mediation/Ombudsman Committee, upon approval of the Board of Directors.
- C. No Committee member shall be appointed to serve as a mediator if an ethics complaint has been formally filed against such member and is pending. This section shall not apply to a committee member who is a designated broker or an office manager, where the complaint is solely against an agent under the broker's or manager's supervision, provided the complaint is not against such member as a respondent in the alleged ethics violation. This paragraph shall not apply once the ethics file has been closed.
- D. Any Committee member who has been found in violation of the Code of Ethics may, after the decision is final, be immediately terminated as a Committee member. The Chair and Vice-Chair shall review the facts and shall recommend appropriate action to the Board of Directors.

15.7.5 CONDUCT OF MEDIATION CONFERENCE

- A. All members conducting or observing mediation or ombudsman conferences have an obligation to maintain and protect the confidentiality of the proceedings and deliberations before, during, and after the process.
- B. Staff will notify the Chair when pending cases need to be scheduled for mediation and /or ombudsman conferences. The Chair may select or may delegate to staff the selection of the

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 15. Professional Standards Committee

member or members who are to serve as mediator(s). Ombudsman shall be specially trained and designated in accordance with policies adopted.

15.7.6 COMMITTEE MEETINGS

- A. Meetings shall be conducted in accordance with the Association's Bylaws, this Policies and Procedures Manual, Rules, and Robert's Rules of Order.
- B. A full Mediation/Ombudsman Committee membership meeting will be held as is reasonably needed at the Association headquarters, unless otherwise approved by the EVP.

15.7.7 QUORUM

A majority of Committee members must be present to constitute a quorum for Mediation/Ombudsman Committee meetings.

15.7.8 BUDGET

An annual budget shall be submitted to the Budget and Finance Committee within the Timeframe (approximately September). Any requests for additional budget considerations shall be submitted to the Budget and Finance Committee Chairperson for review and approval by the Budget and Finance Committee.

15.7.9 INSURANCE

The Pacific West Association of REALTORS® shall carry errors and omissions insurance for all current members of the Mediation/Ombudsman Committee, for their committee work only. In lieu of such insurance, the Association shall indemnify and hold harmless all Mediation/Ombudsman Committee members acting as mediators or ombudsman for the Association's process.

15.7.10 QUALITY MAINTENANCE

To assure the continued high quality of mediation or ombudsman services, members shall keep updated on the following:

1. The Association's Bylaws;
2. The Association's MLS Rules and Regulations;
3. The C.A.R. Code of Ethics and Arbitration Manual; and,
4. Other relevant materials.

15.7.11 DISCRETION TO DECLINE HEARING

The Mediation/Ombudsman Committee may, at its discretion, decline to hear any dispute that it determines is either too complex in nature, or in which the amount is so great as to expose the Association to undue liability, or where it is known that a criminal (or in some instances a civil case) concerning the parties to the matter is pending.

15.7.12 FORMAT CHANGE

Any committee format or change in committee format shall be submitted to the Board of Directors for approval in advance of the implementation.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 15. Professional Standards Committee

15.7.13 EXPENSES

Any Committee Chair or Committee member designee appointed by the Committee requesting expenses for any committee activity shall submit the request to the Budget and Finance Committee to justify such request.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 16. Young Professionals Network

SECTION 16. YOUNG PROFESSIONALS NETWORK

16.1 AUTHORITY

The Association's Bylaws authorize the Young Professionals Network Committee (referred to as the "Tri-Counties Young Professionals Network" or the "Tri-Counties YPN").

16.2 PURPOSE

The Tri-Counties YPN helps young and new real estate professionals excel in their careers by giving them the tools and encouragement to become involved in four core areas. They achieve this goal by having regular meetings and events with their peers so they can all learn from one another.

The purposes of Tri-Counties YPN include:

16.2.1 To support the Association and its membership.

16.2.2 To encourage exchange of information, business models, practices and methods and use of technology, between experienced real estate professionals and those who are newer to the profession.

16.2.3 To promote goodwill through social and professional activities.

16.2.4 To offer educational assistance to the Association and its members.

16.2.5 To provide on-going open communication between members of the Association through its Board of Directors, staff, and members of the Tri-Counties YPN.

16.2.6 To cooperate and engage in activities in coordination with other Young Professional Networks.

16.3 QUORUM

A quorum for transaction of business is 3 committee members, including the Chairperson.

16.4 POLICIES AND PROCEDURES

Tri-Counties YPN is bound by the Bylaws, Policies and Procedures, and resolutions of the Association and its Board of Directors.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 17. Multiple Listing Service

SECTION 17. MULTIPLE LISTING SERVICE / CRMLS

17.1 AUTHORITY

Authorized by the Association's Bylaws, CRMLS Bylaws and CRMLS member Agreement.

17.2 PURPOSE

The Association shall maintain for the use of licensed real estate brokers and salespersons, and licensed or certified appraisers, a multiple listing service ("MLS") by which:

- A. Authorized MLS broker participants establish legal relationships with other participants by making a blanket unilateral contractual offer of compensation and cooperation to other broker participants;
- B. Information is accumulated and disseminated to enable authorized participants to prepare appraisals and other valuations of real property;
- C. Participants engaging in real estate appraisal contribute to common databases; and
- D. Orderly correlation and dissemination of listing information among the participants is accomplished so that participants may better serve their clients and the public.

17.3 MEMBERSHIP AND TERM

Association's representation on the CRMLS Board of Directors shall be as provided by the CRMLS Bylaws and policies and as approved by the Association's Board of Directors.

17.4 POLICIES AND PROCEDURES

17.4.1 The MLS shall be subject to the Bylaws of the Association and the C.A.R. Model MLS Rules as from time to time amended by C.A.R., and such additional local MLS Rules and Regulations as may be hereinafter adopted by the Board of Directors. In the event of a conflict between the C.A.R. Model MLS Rules and the local MLS Rules and Regulations, the local MLS Rules and Regulations will control.

17.4.2 The President may appoint, subject to the confirmation of the Board of Directors, a MLS Committee of REALTOR® members. All members of the committee shall be MLS participants or subscribers. The President shall select the MLS Committee chair and vice chair from among the MLS Committee members. The actions of the MLS Committee are subject to the approval of the Board of Directors.

17.4.3 Providing the MLS generates such publications, Association members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information and statistical reports. This information is provided for the exclusive use of Association members and individuals affiliated with Association members who are also engaged in the real estate business. Except as otherwise specified in the MLS Rules and Regulations, this information may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm. Association members who receive such

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 17. Multiple Listing Service

information are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 18. Non-Standing Committees

SECTION 18. NON-STANDING COMMITTEES

18.1 STRATEGIC PLANNING COMMITTEE

18.1.1 AUTHORITY

Authorized by the Association's Bylaws.

18.1.2 COMPOSITION

The EVP and President-Elect comprise the Strategic Planning Committee.

18.1.3 PURPOSE

To assist the Board of Directors in fulfilling its responsibilities to lead and approve the Association.

18.2 EDUCATION COMMITTEE

18.2.1 Meets monthly to discuss future educational opportunities for the members.

18.2.2 Discusses ideas for new classes and new instructors, and plans new classes.

18.2.3 Any interested member can join the Education Committee.

18.3 VALUE COMMITTEE

18.3.1 Committed to bringing value to association.

18.3.2 Main task is to plan and execute quarterly broker meetings.

18.3.3 Come up with education and follow up with all brokers with phone calls.

18.3.4 Always trying to provide brokers with most up-to-date information to help them be more successful in their businesses.

18.4 GLOBAL BUSINESS COUNCIL

18.4.1 Promotes international real estate business.

18.4.2 Provides valuable education, networking, and cultural awareness.

18.4.3 Any interested member can join the Global Business Council.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 20. Reimbursement and Expense Policy

SECTION 20. REIMBURSEMENT AND EXPENSE POLICY

20.1 AUTHORITY

Adopted by the Board of Directors.

20.2 PURPOSE

Provide expense payment or reimbursement to eligible volunteer Officers of the Association for legitimate expenses with a business purpose that are incurred solely for the benefit of the Association.

20.3 QUALIFIED DIRECTOR OFFICERS

The following Director/Officers of the Association are eligible for reimbursement under this policy: President, Vice President, Secretary/Treasurer and Immediate Past President (“Officers”). The Association recognizes that these Officers have volunteered to devote time and energy to the needs of the Association, which will necessarily impact the Officers’ businesses and personal activities and involve additional expenditures and diminished earnings. The purpose of this policy is to ensure that those costs related to the Officers’ duties are covered to the extent allowed by law and the Officers are reimbursed, adequate cost controls are in place to protect the Association, and there is a uniform and consistent approach for timely advances, payments, and reimbursements of authorized expenses incurred by the Officers.

The Officers are expected to exercise good business judgment and discretion with respect to expenses, to be cost conscious and spend the Association’s money carefully and judiciously, and to report expenses, supported by required documentation, completely and accurately.

20.4 COVERED EXPENSES

The following expenses are eligible for reimbursement:

- Mileage to attend events in capacity as Officer (standard federal rate)
- Tolls and Parking (including valet parking)
- Travel Expenses
- Postage
- Office Supplies
- Phone charges
- Photocopying, reproduction, printing
- Subscriptions
- Certain periodicals and books
- Seminar, events, education and training related to Association issues
- Certain approved hosting expenses such as breakfasts, luncheons, dinners, and other events

The following expenses are generally NOT covered, except in exceptional circumstances, if at all:

- Travel insurance
- First class tickets or upgrades
- Limousine travel, unless as part of a group shuttle
- Movies, liquor or bar costs
- Private club or recreational organization dues or fees
- Sporting equipment

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.

POLICIES AND PROCEDURES MANUAL

Section 20. Reimbursement and Expense Policy

- Spa or exercise charges
- Clothing
- Unapproved business conferences and entertainment
- Car washes
- Toiletry articles
- Unapproved overnight retreats
- Expenses for spouses, friends or relatives

20.5 TAXES

The Officer is responsible for keeping tax records and receipts for all expenses associated with activities of and service to the Association.

20.6 RECORDS

Good records of expenses must be maintained. Documentation of expenditures should include:

- Description
- Amount
- Date
- Place
- Business reason or nature
- Names, titles, organization affiliation of those involved
- Receipt

20.7 PROCESS FOR REIMBURSEMENT

The process for covering or reimbursing Director-incurred Association-related expenses may be one of the following methods, as selected by the Board of Directors at the beginning of the calendar year:

20.7.1 EXPENSE ALLOWANCE

The Association may provide the Officer with an expense allowance and/or credit card, the amount of which is based on prior years' expense records and other relevant factors, as budgeted by the Board of Directors. The Officer will provide the Association, prior to January 31st with the amount by which the prior year's credit card charges and/or any expense allowance provided to the Officer exceeds the amount of documented Association-related expenses reported by the Officer on the Officer's annual tax return. The Association may treat the excess amount as a gift to the Officer at the end of the officer's service payable at the end of the calendar year and will issue the Officer a federal Form 1099 income tax form for that amount.

20.7.2 EXPENSE REQUEST

The Officer may submit a written request to the Association on the Association approved form before the expense is incurred and request the Association pay it.

20.7.3 EXPENSE REPORT

The Officer may submit an expense report on the Association approved form after the expense is incurred and request the Association reimburse the expense. Expense Reports should be submitted within 30 days of incurring the expense.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 21. Investment Policies and Guidelines

SECTION 21. INVESTMENT POLICIES AND GUIDELINES

21.1 OVERVIEW

This policy sets forth the objectives, responsibilities and investment strategies for the management of the Association's cash funds.

21.2 OBJECTIVES

21.2.1 SAFETY

Use of sound investment vehicles that are adequately diversified to limit exposure to changing economic conditions while maximizing principal capability.

21.2.2 YIELD

Achieve a rate of return equal to or in excess of competitive indices of like-minded fixed income portfolios and greater than the average balanced, growth and value mutual funds as published in the Investor's Business Daily.

21.2.3 LIQUIDITY

The investment portfolio shall remain sufficiently liquid to meet the Association's ongoing withdrawal needs. Paper losses may be sustained due to negative interest rate environments and short-term erosion of market values.

21.2.4 DIVERSIFICATION

The investment portfolio shall diversify to avoid incurring unreasonable and avoidable risks regarding any individual security, industry group, specific security type, and market fluctuation.

21.3 RESPONSIBILITIES

21.3.1 BOARD OF DIRECTORS

- A. Approval of the Association's investment objectives as developed and recommended by the Budget and Finance Committee
- B. Approval of control procedures in handling and monitoring investment activities.

21.3.2 BUDGET AND FINANCE COMMITTEE

- A. Develop and implement investment objectives and develop investment guidelines for approval by the Board of Directors.
- B. Monitor performance of investments to insure adherence to investment objectives and guidelines.
- C. Recommend investment risk balance.
- D. Select and monitor performance of Investment Management Firm used for the investment balances.
- E. Monitor the cash position and liquidity of the Association.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 21. Investment Policies and Guidelines

21.3.3 INVESTMENT MANAGER

- A. Report investment results monthly to the Budget and Finance Committee and at each meeting of the Board of Directors
- B. Perform investment purchases within guidelines and policies
- C. Selection of investment vehicles with authorized holding company

21.4 INVESTMENT MANAGEMENT

21.4.1 INVESTMENT FUNDS

The investment management firm as designated by the Budget and Finance Committee and approved by the Board of Directors is responsible for management of the investment funds.

21.4.2 OPERATIONAL

Managed by the Budget and Finance Committee, approved by the Board of Directors and implemented by the Association's Vice-President of Finance and Administration.

21.5 ALLOWABLE INVESTMENTS FOR THE ASSOCIATION

The Association should be invested primarily in fixed income (Class 5) through a variety of fixed income type investments that meet Association guidelines for safety, yield, liquidity, and diversification as described in the objectives section. In addition, the Association guidelines allow for investment in mutual funds that include stocks, (Class 3 High Quality Growth and Class 4 Total Return) as well as mutual funds that move in opposite direction of the stock or bond markets (Class 2). To a more limited degree, individual preferred stocks or common stocks with strong dividend yield are allowed. Each investment category is described below with limitations regarding both ratings and size of investments within the portfolio. Any exceptions to this policy need to be approved by the Budget and Finance Committee.

21.5.1 CLASS 5 (FIXED INCOME)

- A. Money Market Funds (Can include but not limited to repurchase agreements and sweep arrangements). There is no limit to amounts that can be in Money Market at any one time. If cash flow requirements necessitate additional cash for operations or capital investment, money market is the appropriate investment. Money Market is not normally the best place for longer term investment.
- B. CDs – invested only in Banks and/or Savings and Loans (with a maximum covered by FDIC insurance) that maintain a net worth ratio (net worth divided by assets) of at least 4 percent. Rates of return should exceed average rates published in daily newspapers (*Wall Street Journal*, *Investor's Business Daily*, etc). Investment term should be no more than 2 years.
- C. U.S. Treasury Bills. While this type of investment is very secure, it is likely not the best return for the Association, given other fixed income alternatives.
- D. Commercial Paper rated A1/P1 or A2/P2 (the highest rating available). For short term needs.

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.

POLICIES AND PROCEDURES MANUAL

Section 21. Investment Policies and Guidelines

- E. U.S. Government Agency bonds. These bonds are extremely safe but their return is likely less than other fixed income alternatives. If market yields make these bond yields competitive, there is no limit to the amount that can be invested.
- F. U.S. Corporate Bonds can be purchased individually as long as there is an equivalent rating category of at least "A-" (relative to this S&P rating). No individual issue will be in excess of \$100,000 and the total value of corporate bonds will not exceed 40% of the total portfolio. Normally, bonds will be purchased to ladder maturities out 3 years. Some exceptions will be allowed if the yield curve favors longer maturities, or there is a call feature.
- G. U.S. Municipal Bonds ("Muni bonds") can be purchased individually with the same restrictions listed above for U.S. Corporate bonds. Muni bonds offer a tax-free income to the Association. Muni bonds that are insured and have at least 3 times asset coverage are also allowable if there is a better opportunity to increase yield with minimal risk. No one non-rated issue may exceed \$50,000, and the combined non-rated bonds may not exceed 5% of the portfolio. Individual Muni bonds and corporate bonds when combined may not exceed 40% of the portfolio.
- H. Preferred Stocks with a minimum "investment grade rating" by at least one of the nationally recognized rating services. Because these are individual company preferred stocks, no more than 2% can be invested in any one issue and no more than 10% of the portfolio can be invested in preferred stocks. Preferred stocks will be closely monitored and negative change in investment grade rating or any material changes in value will require a report by Investment Manager to the Budget and Finance Committee.
- I. Fixed income mutual funds – These mutual funds offer an opportunity for fixed income diversification into a number of sectors and maturities. The performance of the mutual funds is reviewed and reported on the monthly statements. A number of fixed income mutual funds will be in the portfolio so no one mutual fund becomes too excessive.

21.5.2 CLASS 4 (TOTAL RETURN)

Mutual Funds in Class 4 are made up of a combination of stocks and bonds – hence the description "Total Return". These mutual funds should be less volatile than Class 3. These mutual funds should not exceed 25% of the portfolio and when combined with Class 3, should not exceed 40% of the portfolio.

21.5.3 CLASS 3 (HIGH QUALITY GROWTH)

Mutual Funds that contain primarily stocks, offer an opportunity to boost the return that might be expected from a strictly fixed income portfolio. Mutual funds that are funds of funds are extremely diversified. Employment of a successful upgrading strategy offers further growth opportunities. Stocks have historically been more volatile than fixed income so the Association investment policy limits the investment in Class 3 mutual funds to no more than 25% of the portfolio.

21.5.4 CLASS 2 (SPECULATIVE GROWTH)

This category of mutual funds will only be used if market conditions favor a hedged mutual fund or inverse fund that goes up when the stock market is going down or goes up when interest rates are going up. Investment Manager should review leading indicators from an independent firm such as the Economic Cycle Research Institute and be prepared to anticipate a major change in market conditions

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.

POLICIES AND PROCEDURES MANUAL

Section 21. Investment Policies and Guidelines

that would make this kind of fund a suitable option. No more than 5% of the portfolio should be invested in these hedge funds.

21.5.5 INDIVIDUAL STOCKS

Common stocks are not rated like bonds. Because of the volatile nature of individual common stocks, the Association may invest in common stocks with restrictions that limit the total investment in common stocks to 5% of the portfolio and individual issues to \$50,000. Normally common stocks would only be suitable for the Association if there were a strong dividend as well as a growth opportunity.

21.6 INVESTMENT LIMITATIONS AND RESTRICTIONS

21.6.1 Investment Manager(s) are to make investments consistent with the safeguards and diversity to which a prudent investor would adhere.

21.6.2 All assets selected by the Investment Manager must have a readily available market value and must be immediately marketable.

21.6.3 Investment Manager should consider implications of short-term capital gain taxes prior to trading within the Association's portfolio.

21.6.4 The Manager(s) will inform the Association of all transactions. Movements of funds shall be reported within the same day. The authorized custodian of funds will provide confirmations of all transactions.

21.6.5 No single corporate security in the portfolio shall exceed 10 percent.

21.6.6 If one investment or group of investments exceeds stated limitations, the Investment Manager is to notify the Budget and Finance Committee to discuss.

21.7 INVESTMENT FUNDS EMPOWERMENT

The Investment Manager is empowered to make investments on behalf of the Association within the policies and guidelines established for the investment of Association funds. The Association retains the right to designate additional Association personnel to transact and monitor investment activities on behalf of the Association.

21.8 EARNINGS AND VALUE REPORTING

Market values of investment holdings as recorded in the Association's financial records are to be updated on a monthly basis and shall be recorded in accordance with FASB statement #130 with the year-end audited financials.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 22. Financial Policies

SECTION 22. FINANCIAL POLICIES

22.1 It shall be the policy of the Association to assign the task of budget development for the ensuing year to the Budget and Finance Committee. The annual budget development process shall utilize the zero-based budgeting approach, and shall take into consideration input from all necessary sources to ensure an accurate operating budget.

22.2 It shall be the policy of the Association that, upon Board of Directors approval of the annual budget, it shall be the responsibility of the Treasurer, EVP and the Vice-President of Finance and Administration to administer the day-to-day implementation of the budget. If deviations occur, the Budget and Finance Committee should review and make recommendations as necessary or desirable to the Board of Directors.

22.3 It shall be the policy of the Association to maintain reserve funds established for future needs of the Association. All reserve funds shall be invested in accounts deemed reliable by the Budget and Finance Committee and the Board of Directors. See Addendum I for full reserve policy.

22.4 Investments in various stocks, bonds, mutual funds or certificates of deposits, are to be invested per the advice of our approved investment firm. All investments are to be governed by our investment policy.

22.5 The Association should expect a monthly report from the custodian of Association assets (Schwab) as well as a statement from Investment Manager (IM). Budget and Finance Committee should agree on the format of the IM statement. Custodian statement should provide investment holdings in detail as well as transaction detail, cash activity and interest income.

22.6 Investment Manager should provide a statement that gives an executive summary of the Association investments and performance. It will report the account balance, deposits/withdrawals, portfolio gain or loss for the month, year-to-date and the past five years. It will report all investments in the categories previously identified in this investment policy, and report the month and year-to-date gain/loss for each investment.

22.7 It shall be the policy of the Association, that internal controls relating to the Association's accounting system shall be maintained by the Treasurer, EVP and the Vice-President of Finance and Administration in accordance with generally accepted accounting principles, recommendations of the Association's CPA firm, suggestions in any management letter prepared as a result of an audit, and any actions taken from time-to-time by the Board of Directors. It shall be the policy of the Association that expenditures incurred by a member of the Board of Directors, the EVP, or any employee shall be approved prior to payment by a person other than the person who incurred the expenditure. Expenditures by the EVP shall be approved by the President with expenditures by staff and employees approved by the EVP. Coding for expenditures shall follow the established Chart of Accounts. Questions regarding coding of staff expense shall be directed to the EVP, with questions regarding coding of the EVP's expenditures directed to the President. Further internal controls shall include such subjects as signatories to checks and accounts, inventory control, assets, travel reimbursements, and recordkeeping, and shall provide for a safe and normal flow of the Association's management of funds. Also included in these controls are credit card usage, petty cash disbursements and the Associations travel and expense reimbursement policy in this Policies and Procedures Manual in Section 7.5.2 .
C.A.R. MEETING & TRAVEL POLICY.

22.8 It shall be the policy of the Association that a Certified Audit of the Association's books, accounting procedures, and tax returns be accomplished on an annual basis, clearly establishing financial responsibility and as a verification of the accuracy of financial reports.

TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL

Section 22. Financial Policies

22.9 It shall be the policy of the Association that a Certified Public Accountant (CPA) be retained for purposes of completion of State and Federal Tax returns.

22.10 It shall be the responsibility of the Association that the Budget and Budget and Finance Committee review these Financial Policies annually with recommendation for adjustments, if any, being submitted to the Board of Directors for consideration.

22.11 It shall be the policy of the Association that nothing contained within these Financial Policies shall be construed as relieving the Board of Directors of full responsibility for the management of the Association's funds. The Board of Directors shall retain the full right to change, adjust, and/or eliminate any portion of the established policy at any time after its adoption.

22.12 It shall be the policy of the Association that prior to action by the Board of Directors adjusting any established fees of the Association, the Budget and Finance Committee shall be instructed to review the ramifications of such an adjustment.

22.13 It shall be the policy of the Association that the Budget and Finance Committee will recommend any necessary financial adjustments to the Board of Directors and will review local membership dues annually.

22.14 It shall be the policy of the Association that representatives of the Association who voluntarily attend authorized conferences, business meetings, seminars or conventions, be provided with payment of reasonable and incidental expenses if approved in the annual budget. See Section 7.5.2 C.A.R. MEETING & TRAVEL POLICY.

22.15 It shall be the policy of the Association that preliminary financial statements be prepared by the Vice-President of Finance and Administration and submitted to the Budget and Finance Committee.

22.16 It shall be the policy of the Association that the Budget and Finance Committee shall receive a copy of current year Rolling Forecast on a monthly basis for review.

22.17 It shall be the policy of the Association that the accounting department will implement procedures AND will be responsible for the smooth interaction of the accounting department and all other departments of the Association.

22.18 It shall be the policy of the Association that bank deposits be made on a daily basis whenever possible. It is understood that workload of the department personnel may not allow deposits to be made daily; however, the Vice-President of Finance and Administration and/or his/her designee shall make every effort to accomplish a daily deposit.

22.19 It shall be the policy of the Association to pay all outstanding accounts according to payment terms, whenever practicable.

22.20 It shall be the policy of the Association that the annual membership/MLS dues billing statements (state, local, national dues and MLSs fees) be generated into one yearly billing and sent out not later than December 15 of each year. All members/non-members will be offered the PWR FLEX Payment program. This program provides 3 options for dues payment: full payment, pro-rated monthly, or pro-rated quarterly, which includes billing fees. Members/non-members will have the option of financing dues over a quarterly basis or twelve-month period, via automatic billing or coupon method for the quarterly billing option.

22.21 It shall be the policy of the Association that employees be paid on the 5th and the 20th of each month. If payday falls on a weekend, employees will be paid on Friday. When payday falls on a holiday, employees will be paid on the last working day prior to the holiday.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 22. Financial Policies

22.22 Except in extreme circumstances, the Association does not permit advances against paychecks. If circumstances warrant, an advance against pay shall be made only upon the written submission of the request outlining the necessity, and execution by the employee of a written agreement setting forth the terms of repayment to be effective during and after termination of the employment relationship. Such agreement will also authorize the Association to withhold from the employee's final paycheck whatever sum is required to pay any balance owed upon severance of employment, up to and including the entire amount of all wages or other amounts due and owing by the Association to the employee. The President of the Board of Directors shall approve requests for advances by the EVP. The EVP shall approve requests for advances by staff and employees.

22.23 Association credit cards are issued for purposes reasonably related to Association business. In the event of an emergency, the credit card may be used for non-Association purposes, provided that the cardholder issues a written explanation to the EVP within 48 hours or one business day of the use and agrees to reimburse the Association for the charges. The EVP will report such occurrences and provide a written explanation with repayment arrangements directly to the President of the Board of Directors. Following are the limits established for each account:

Position	Term (In Years)	Limit
President	1	\$5,000
President-Elect	1	\$5,000
EVP	1	\$10,000

Diners Club limit of \$20,000) is for all outstanding cards combined

22.24 Checks are to be signed by 2 authorized signers and the available pool of signers shall include: from Staff, the EVP, Executive Vice-President and Vice-President Finance and Administration; from the Board of Directors: the President, President-Elect and Treasurer. The only exception is that when the second signer is out of town a facsimile stamp of the EVP's signature may be used on checks with a limit of \$5,000.00. Checks and the facsimile stamp are to be locked up at all times, and checks are not to be pre-signed. Also all electronic fund transfers are initiated by the designated responsible manager or designee and approved by the Vice-President of Finance and Administration.

**TRI-COUNTIES ASSOCIATION OF REALTORS®, INC.
POLICIES AND PROCEDURES MANUAL**

Section 23. Financial Policies

SECTION 23. RESERVE POLICY TASK FORCE

23.1 POLICY

The task force recommends that the reserve level be set at 6 months. The current reserve level should be determined using the C.A.R. method of reserve calculation. This calculation determines how many months an operation can survive off of their net liquid assets if no revenue from operations were ever produced again and with no reductions in current spending levels.

23.2 GUIDELINES

It was our intention that in setting a reserve level that the Association operates with a positive cash flow. Negative cash flow levels should be examined if they continue beyond 3 months with any adjustments as necessary made after formal review by Finance and approved by the Board of Directors. These adjustments would be made, when approved, to maintain as much of the 6 month reserve as possible, with rebuilding and maintaining this reserve of utmost importance when an excess cash flow situation exists.