

Tucson Association of REALTORS®, Inc.

POLICY STATEMENTS

Revised: February 26, 2009

Approved: February 26, 2009

Effective Date: February 26, 2009

Vision Statement

Mission Statement

Operational Philosophy

- Policy #1: Policy Purpose & Formulation
- Policy #2: Requests for Information
- Policy #3: Public Policy Statements Made By Association Committees
- Policy #4: Anti-Trust Compliance
- Policy #5: Confidentiality
- Policy #6: Smoking Policy
- Policy #7: Endorsements for Products and Services
- Policy # 8: Tucson REALTOR® Magazine advertising
- Policy # 9: Facility Rental and Event Advertising
- Policy #10: Donations and Fund Raising
- Policy #11: Hearth Foundation
- Policy #12: Committee Financial Operation
- Policy #13: Dues Payable
- Policy #14: Collection Policy
- Policy #15: Operating and Reserve Account Funds
- Policy #16: Reserves
- Policy #17: Access to Legal Counsel
- Policy #18: Contract/Encumbrances
- Policy #19: Bid Policy
- Policy #20: Group Discounts
- Policy #21: Reimbursement of Travel Expenses
- Policy #22: President/President-Elect Travel
- Policy #23: NAR Director Travel
- Policy #24: NAR Committee Member Reimbursement
- Policy #25: AAR Director Reimbursement
- Policy #26: Committee Communications
- Policy #27: Association Open Meeting Policy
- Policy #28: Staff Liaison/Meeting Schedule
- Policy #29: Coordination of Association Activities
- Policy #30: Committee Member Participation and Attendance at Committee Meetings
- Policy #31: Tucson Association of REALTORS® Staff Support
- Policy #32: Committee Meeting Report Procedure
- Policy #33: Board of Directors Agenda Items
- Policy #34: Support Services for Institutes, Societies and Councils

- Policy #35: Noise Emitting Devices
- Policy #36: Public Affairs Subcommittee
- Policy #37(a): Candidate and Ballot Issue Evaluation Task Force
- Policy #37(b): Candidate Endorsements
- Policy #37(c): Public Issue (Ballot) Endorsements
- Policy #38: Officer and Staff Political Endorsements
- Policy #39: Candidates for Tucson Association of REALTORS® Elected Office
- Policy #40: Voting Procedures
- Policy #41: Deleted
- Policy #42: Staff Relatives in Leadership Positions
- Policy #43: Policy Prohibiting Harassment (including sexual harassment)
- Policy #44: Alcoholic Beverages
- Policy #45: Association Training Rooms
- Policy #46: Role of the Board of Directors
- Policy #47: Role of the Executive Committee
- Policy #48: Role of Committees, Chairs and Vice Chairs
- Policy #49: Role of Staff Liaisons
- Policy #50: Presidential Advisory Groups, Task Forces and Work Groups
- Policy #51: Vice Presidents
- Policy #52: Legal

Vision Statement

“The Best Prepared with the Highest Standards”

Mission Statement

The Tucson Association of REALTORS® will promote enhanced communication, a positive regulatory climate and elevate professionalism and public perception for its members.

Operational Philosophy

The Tucson Association of REALTORS® is a volunteer driven organization. As such, it relies on the volunteers to assist with the preparation of programs, functions or projects. Volunteer assistance with labor intensive projects enables the organization to keep overhead as low as possible and still provide quality service.

The Tucson Association of REALTORS® is based on a leadership model. The Board of Directors has empowered the Executive Committee, committees and staff by delegating to them specific roles that will enable the Board of Directors to achieve their visionary, strategic objectives as defined by the five-year strategic plan.

According to the NATIONAL ASSOCIATION OF REALTORS® “(a) leadership association initiates policy formation and advocacy on all levels and seeks and implements innovative and creative programs, products and services that ultimately provide enhanced value for all REALTOR® association constituencies. Volunteer leaders determine future direction and set parameters within which staff is empowered to manage the organization; internal structure is created and managed by staff”.

The components of a leadership model are:

- A. Elected leadership that determines a long term (3-5 year) strategic vision and a short term (1 year) business plan to help achieve that vision
- B. Committees that are fluid, determine policy within defined parameters and develop policy and action plans for achieving specific objectives
- C. Professional staff that possesses expertise and provides leadership in legal, regulatory and business issues impacting the association and transparently manages association business

The term "committee" as used in these Policy Statements shall be deemed to include the terms "work group," "sub-committee," "advisory group," "Presidential Advisory Group" and Task Force." The term "Association" shall be deemed to mean the TUCSON ASSOCIATION of REALTORS®.

It's Our Organization!

Policy #1: Policy Purpose & Formulation

Policy statements are to be used for developing guidelines and standards for internal Association operations. Policy statements are on-going and are reaffirmed by the Board of Directors each year. Any new policies must be approved by the Board of Directors sitting at the time of the recommendation of the new policy. Policy recommendations may be made by staff, committee chairs, the Board of Directors, the Executive Committee, or any member of the Association. Recommended policy changes must be presented, in writing, to the Chief Executive Officer prior to presentation to the Board of Directors for approval.

Policy #2: Requests for Information

Requests for information from the general public, written or verbal, shall be referred to the President or Chief Executive Officer. The President, or President's designee pertinent to a specific occasion, and the Chief Executive Officer, or the Chief Executive Officer's designee pertinent to a specific occasion, shall be the only authorized spokesperson(s) for the Association except as stated in Policy #3. No other individuals shall speak for the Association on matters affecting the Association or its membership without prior written approval of the President. *Revised 01/07/05*

Policy #3: Public Policy Statements Made By Association Committees

Only the Public Affairs Committee Chair (or their designee) and the Director of Public Affairs shall be empowered to make public policy statements without prior approval of the President or Chief Executive Officer. It shall be their responsibility and obligation to notify the President and the Chief Executive Officer, as soon as practical, of any public policy statements to be made. *Revised 02/26/09*

Policy #4: Anti-Trust Compliance

The Tucson Association of REALTORS® has not and will not establish or maintain fixed or recommended compensation rates. Compensation is a matter of negotiation between the parties (the principal and the broker) and the Association will not interfere in those negotiations or inhibit in any way the freedom of the parties to negotiate by imposing bylaw provisions, recommended schedules or sanctions on members.

Policy #5: Confidentiality

Some matters discussed by the Executive Committee, Budget & Finance Committee, Board of Directors and Committees are problematic and of a sensitive nature and shall be kept confidential. Such matters are to be worked out and resolved within the confines of the entity where the matter arose. If the issues cannot be resolved within those confines, the matter should be taken through the following chain of command for resolution: first to the Committee Chair then to the Chief Executive Officer and then to the Association President. If it cannot be resolved by working through this chain of command, then and only then should the matter be taken to the Board of Directors and/or membership.

Policy #6: Smoking Policy

In accordance with Arizona law, smoking is strictly prohibited at all Association events and in all Association facilities and within 20 feet of entrances to said events or facilities.

Policy #7: Endorsements for Products and Services

As a general rule, the Association does not support endorsements on products, services or companies. The exception is when the endorsement benefits our membership and the Board of Directors approves of the endorsement.

All requests to the Tucson Association of REALTORS® from individuals or organizations for endorsements of products or services shall be referred to the appropriate committee(s) for input and recommendations to the Board of Directors. The Board of Directors ultimately approves or disapproves all recommendations for endorsements.

Policy #8: Tucson REALTOR® Magazine Advertising

Affiliates and members may advertise in *Tucson REALTOR® Magazine*. Affiliates and members receive a benefit through their membership that entitles them a discount for contracting for multiple insertions. All non-members who wish to advertise will also be given an affiliate membership packet for their review.

Real estate firms and/or REALTORS® may not advertise for recruiting purposes. However, they may advertise for other purposes as long as the ad does not have a recruiting nature.

The Tucson Association of REALTORS® reserves the right to refuse advertisements for any reason. All advertisers shall indemnify the entire membership of the Tucson Association of REALTORS®, as well as the Association itself, from advertisements based on any claims to

include, but not be limited to advertising that is: defamatory, libelous, obscene, an invasion of privacy or that has been obtained in violation of the proprietary right of any person.

The Association will not discriminate with respect to race, creed, color, national origin, age, handicap or sexual orientation in accepting advertising, and will not accept advertising of services or products, which in any way indicates such discrimination by advertisers. *Revised 02/26/2009*

Policy #9: Facility Rental and Advertising

Affiliates, members and non-members may rent the Association conference facilities. All events being held in the Association facilities will be listed on www.tucsonrealtors.org.

Classes and events that are sponsored by a Member or Affiliate of the Tucson Association of REALTORS® will be advertised in a special section of the weekly e-update, **on a space available basis**. There is no guarantee that this advertising space will be available, and placement is at the sole discretion of the Tucson Association of REALTORS® staff.

Policy #10: Donations & Fundraising

The Tucson Association of REALTORS® supports charitable efforts in the community and wishes to contribute where appropriate. The Association will support charitable endeavors when they contribute to housing the less fortunate or assist recipients with skills to create economic opportunity. Priority for charitable requests will be assigned to solicitations where the Association can make a significant impact on a project that is within the boundaries of the Association and be perceived as a leader in the effort. Requests for support will be directed to the Chief Executive Officer who will evaluate each request for compliance with the policy. The Chief Executive Officer will recommend appropriate candidates for contributions to the Public Relations Committee for a final decision. No committees are allowed to enter into fund-raising activities for charitable purposes unless prior approval is received from the Board of Directors. (The Hearth Foundation shall be the primary non-profit recipient of donations from the Association and fundraising for the Hearth Foundation will be accomplished through the Public Relations Committee.

Policy #11: Hearth Foundation

So as to acknowledge the unique relationship between the Association and the Hearth Foundation, it shall be the policy of the Association to provide a strong commitment of support, both financially as well as administratively, to the Hearth Foundation.

Financial support shall be considered as an ongoing item in the annual budget process and an annual financial commitment shall be an entry in the budget of the Association.

Administrative support shall consist of the following:

- A. Staff Support
- B. Reasonable access to Association membership via:
 - 1. Free mailing lists (peel & stick preprinted labels)
 - 2. Online computer messages as space permits

3. Presentations at all regular membership meeting.
 4. Written contributions to be published in the official Association publication.
- C. "Fair Share" dues billing to be included on the annual Association dues bill in an amount not less than \$10/member.

(Items A & B inclusive are subject to review, modification and/or approval by the Chief Executive Officer and/or the Board of Directors of the Tucson Association of REALTORS®). *Revised 02/26/09*

Policy #12: Committee Financial Operation

Association committees have budgeted Income and Expenses, which have been approved by the Board of Directors in the Annual Budget. It is the responsibility of the Committee Chair and the assigned staff liaison to operate within that approved budget. If additional funds are deemed necessary by the Committee Chair, that request shall be made in writing to the Chief Executive Officer for presentation to the Board of Directors for approval.

Policy #13: Dues Payable

Dues for all Members shall be payable annually in advance not later than December 31 of the previous year. Dues shall be computed from the day a new member is granted provisional membership and shall be prorated for the remainder of the year

- A. In the event a real estate licensee or licensed or /certified appraiser who holds REALTOR® membership is dropped for nonpayment of Association dues, and the individual remains with the Designated REALTOR®'s firm, the dues obligation of the "Designated" REALTOR® (as set forth in Article X, Section 2, (a) of the Association Bylaws) will be increased to reflect the addition of a Nonmember licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within 30 days of the notice of termination.
- B. In the event that affiliated licensees fail to comply with Article VI, Section 9 of the Association Bylaws, the Designated REALTOR® must notify the Association, in writing, on or before February 15 of the year for which the dues are applicable to avoid the obligation of being responsible for the dues of said licensee.
- C. Requests for refunds of Association paid dues will only be considered for the following reasons: death or serious illness/injury, long term military deployment or other special circumstances which must be approved by the Chief Executive Officer.

Policy #14: Collection Policy

The Tucson Association of REALTORS® is a membership organization which provides services to its members. Because the organization has made commitments to outside vendors to provide those services to its' members, the fees charged to the members must be collected in a fair, consistent and timely fashion to ensure the ability of the organization to meet its' respective obligations.

No action shall be taken to terminate a member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Chief Executive Officer. A former Member whose membership was terminated for nonpayment of a delinquent

account may apply for reinstatement as prescribed for new applicants in the Association Bylaws. In the event a REALTOR® member is terminated because of nonpayment of dues by the Designated REALTOR®, the REALTOR® member must reapply for membership, unless the REALTOR® member continues membership within thirty (30) calendar days of the termination date. The reinstated member will not be required to attend New Member Orientation if application for reinstatement is made within one year of termination.

- A. Association monthly statements for goods and services which are delinquent are subject to the following action:
 - 1. 30 calendar days past due: Unpaid balance shall accrue interest at a rate of 1.5% per month until the account is brought current.
 - 2. 60 calendar days past due: Letter will be sent giving 10 calendar days to cure delinquency. There is a \$15.00 processing fee for every letter processed by the Accounting Department to collect delinquent accounts. Failure to cure delinquency will result in suspension. The Association will send written notification of such suspension to the Designated REALTOR®.
 - 3. Failure to respond and/or bring the account current within 15 calendar days after suspension will result in termination of membership. The Association will notify member/participant in writing of such termination and that the account will be turned over to collection if payment is not received within 10 calendar days.
 - 4. Before any member can be reinstated, they must pay all accounts current and all applicable application and reinstatement fees for service.
- B. Any returned checks are subject to a \$25 service charge. After a member has presented two "NSF" checks, within one calendar year, payment shall be by cash or certified funds.
- C. Any appeals to the above stated collection policy will be as follows:
The Chief Executive Officer shall be authorized to negotiate payment arrangements on terminated accounts provided that said negotiation is reduced to writing utilizing a promissory note.
- D. Dues not received within 10 calendar days of the due date will be subject to a \$25 late fee.
 - 1. Association dues 30 calendar days past due: membership of the nonpaying REALTOR® member shall be suspended. The Association will send written notification to the Designated REALTOR® of such suspension.
 - 2. Association dues 45 calendar days past due: membership of the nonpaying REALTOR® member and member's office shall automatically terminate unless within that time the amount due is paid or nonpaying REALTOR® member has been severed from the Designated Broker's office. The Association will send notification to the Designated REALTOR® of such termination.

Policy #15: Operating and Reserve Account Funds

Sums placed in checking, savings, money market or Reserve Accounts shall be deposited as per this policy as stated below. All sums placed in designated Reserve Accounts shall be a continuing item placed on the balance sheet, shall be so identified, and shall be utilized only in the event of an emergency as determined by the Board of Directors by majority vote.

In the event the Board of Directors determines that Reserve Account Funds are necessary for Association operations, said funds shall be strictly utilized for and to the purpose so outlined under the auspices of the name of the account. In no event shall these funds be in any way encumbered or utilized in any other fashion. The Chief Executive Officer shall be responsible for and have authority to invest all Association funds, subject to Board approval.

Policy #16: Reserves

50% of any income over expense at the end of any fiscal year, as determined by the Annual Audit, shall be placed in an operating reserve fund up to a minimum of six months operating expense. In the event that the operating reserve reaches an amount equal to six (6) months of operating expenses, the Board of Directors shall begin to utilize any amount in excess of six (6) months of operating expenses toward the annual operating budget. The remaining 50% shall be either; (a) utilized to reinvest in capital equipment, or (b) placed in the investment reserve account for future capital equipment purchases. Any amount assessed to Members for operating reserves shall be placed directly into the reserve account in accordance with this Statement.

Policy #17: Access to Legal Counsel

The President and Chief Executive Officer are the only individuals authorized to directly contact Association Legal Counsel. Should there be a necessity for individuals or committees to meet with legal counsel, prior arrangements must be made through the Chief Executive Officer or the President. Should an individual contact legal counsel without prior approval, the individual may be billed in the amount incurred from that contact.

Policy #18: Contract/Encumbrances

The President or the Chief Executive Officer, subject to the approval of the Board of Directors, shall be the only individuals authorized to enter into contracts or agreements which incur financial or other liabilities to the Association. The Senior Vice President is authorized to sign checks and/or contracts in the absence of the Chief Executive Officer. When outside facilities are required for use by any committee, approval will be obtained from the President or the Chief Executive Officer.

Policy #19: Bid Policy

The process of seeking and retaining providers of products/services will be as follows:

- A. The Chief Executive Officer and Staff will research providers based on their professional knowledge of necessary requirements.
- B. If product or service is over \$2,500, at least three bids will be presented as part of the recommendation providing there are three providers of satisfactory quality available for required product/service.
- C. Criteria for recommendation of provider will take the following items into consideration: quality of service and cost.
- D. The Chief Executive Officer will present recommendations through the following process:
 1. Committee responsible, if applicable

2. Executive Committee
 3. Executive Committee recommendation will then go to the Board of Directors for approval as an item on the Consent Agenda.
- E. It will be determined by the Chief Executive Officer, on a periodic basis, the need/benefit of rebidding any product or service either proposed or existing. In no way (except in the case of a monopolized utility) shall a product or service enjoy an ongoing relationship with TAR or any subsidiary for more than three (3) years from date of latest contract without such a review.

These bidding requirements do not apply to contracts for venues for Association events, vendors providing services to the event or temporary staffing agencies. The Chief Executive Officer will use reasonable discretion when entering into these agreements. *Revised 02/26/09*

Policy #20: Group Discounts

All requests from individuals or organizations to provide group discounts to Association membership shall be referred to the appropriate committee(s) for input and recommendations to the Executive Committee and Board of Directors for approval as Consent Agenda items.

Group Discounts: The Association will offer group discount opportunities for the membership, as a member benefit, provided the following procedures and guidelines are considered in each instance:

- A. If a potential provider wishes to make a group discount available to the Association membership, the offer shall be made, in writing, to the Chief Executive Officer.
- B. The Chief Executive Officer will review offers for conformity to the guidelines, and forward all appropriate offers to the Executive Committee for their review. The Executive Committee will then submit the offers to the Board of Directors for final approval as a consent agenda item.
- C. The proposed product or service shall fit within the Association's Vision Statement and Mission Statement, as stated in the current Strategic and Business Plan. In other words, is this service or product a direct benefit to the profession?
- D. Our members must receive a pricing structure that is a group discount due to their status as an Association member. Proposed products shall not be in competition with items sold through the Association REALTOR® store.
- E. Consideration should be given to any potential legal or ethical responsibilities and risks for the Association, its employees, members, and elected officials that may be incurred by the Association for promoting this product or service to its members.
- F. There shall not be a monetary commitment needed from the Association to fund this program.

Taking the above issues into consideration, the following information should be determined about the product or service:

- A. The item shall be competitive in quality and cost with similar products/services in the industry.
- B. The product/service must meet the needs of the members.
- C. The members must receive a pricing structure that reflects the group discount due to their Association membership. If the pricing structure offered is readily available to the general public through other outlets the Association should decline the offer.
- D. Length of term for the offer must be stated in writing. Provisions for renegotiating the offer at the end of each term should be provided.
- E. The provider must state in writing their procedure for handling customer complaints.

Policy #21: Reimbursement of Travel Expenses

Documentation of expenses with receipts must be submitted within 30 days after the last day of respective meeting. *Adopted 02/26/09*

Policy #22: President/President-Elect Travel

Reasonable budgeted travel expenses and registration fees for the President and President-Elect shall be established in the annual budget for attendance at the following meetings unless funding is received from another funding source:

- NAR Annual Convention
- NAR Mid-Year Meeting & Legislative Conference
- AAR Board of Directors Meetings
- AAR Winter Conference
- AAR Leadership Conference
- Rocky Mountain Regional Meeting
- CEO/CSO Training (President-Elect only)

Reasonable budgeted travel expenses and registration fees for the incoming President-Elect shall be established in the annual budget for attendance at the following meetings unless funding is received from another funding source:

NAR Annual Convention

In addition, \$1,000 annually shall be budgeted for the guest of the President to accompany the President. Travel arrangements are to be coordinated through the Chief Executive Officer.

Reimbursed items will include reasonable expenses for meeting registration, lodging, coach-air fare, ground transportation (personal vehicle, portal to portal, if over 50 miles roundtrip), food and other actual reasonable expenses. To be reimbursed the President/President-Elect must attend a minimum of the Delegate Meeting, Member/Director Forum, appropriate Board Sub-Forum, State & Board President Roundtables, AAR Caucus, and the Regional Caucus, when applicable. If the President or President-Elect serves as a member of a NAR Committee, attendance at said committee meetings shall supersede the requirement to attend the required meetings if a conflict in scheduling occurs, provided an alternate agrees to attend in the place of the President or President-elect.

All other travel and/or per diem expense requests for the President, President-Elect or delegate of the Tucson Association of REALTORS® must come before the Board of Directors for authorization. Anyone accepting such funding shall be obligated to attend and represent the Association at those meetings and/or programs that are the subject of the request.

Revised 02/26/09

Policy #23: NAR Director Travel

The Tucson Association of REALTORS® member serving on the National Association of REALTORS® as a National Director shall receive reimbursement for attendance at the following meetings, unless funding is received from another funding source: NAR Annual Convention, NAR Midyear Legislative Meeting and Rocky Mountain Regional Meeting. To receive reimbursement the participant must provide a written report of the Directors Meeting within 30 days of the NAR Meeting. Reimbursed items will include meeting registration, lodging, coach-airfare, ground transportation (personal vehicle, portal to portal, if over 50 miles one-way), and food.

Policy #24: NAR Committee Member Reimbursement

All Tucson Association of REALTORS® members serving only on National Association of REALTORS® committees shall receive up to \$1,000 for attendance at the following meetings, unless funding is received from another funding source: NAR Committee Chair/Vice Chair positions shall be reimbursed at the same level as an NAR Director as noted under Policy #23. NAR Annual Convention and NAR Midyear Legislative Meeting. Reimbursed items include reasonable expenses for meeting registration, lodging, coach airfare, ground transportation (personal vehicle, portal to portal, if over 50 miles round trip) and food. To receive reimbursement the participant must provide a written report of the committee meeting within 30 days of the NAR Meeting. *Revised 02/26/09*

Policy #25: AAR Director Reimbursement

Members serving as a member on the AAR Board of Directors on behalf of the Tucson Association of REALTORS® shall receive \$200 for each AAR Directors meeting attended outside of the Tucson metropolitan area. AAR Directors who receive funding from another source for the meeting shall not be entitled to the \$200. *Revised 02/26/09*

Policy #26: Committee Communications

Except as provided under Policy #3, under no circumstances shall a Committee Chair send any information which is not coordinated with Chief Executive Officer or President.

Committee communications to promote a function through a news or press release shall require the prior the approval of the Chief Executive Officer or President and said release shall be written and released by the Chief Executive Officer or President. Under no circumstances are any committees allowed to disseminate any information to the public, i.e., print media, radio, TV, etc., in any other manner. *Revised 02/26/09*

Policy #27: Association Open Meeting Policy

All standing committee meetings of the Tucson Association of REALTORS® shall be open to the membership at-large except when an executive session is called.

Policy #28: Staff Liaison/Meeting Schedule

The Chief Executive Officer shall assign a staff liaison to all committees. All regularly scheduled committee meetings will be held at the Association office except when approved by the Chief Executive Officer or the President. Committee Chairs shall make arrangements for meetings through the assigned staff liaison.

Policy #29: Coordination of Association Activities

All functions of Association committees shall be coordinated through the Chief Executive Officer in an effort to avoid conflicts. A master calendar for scheduling purposes will be maintained at the Association office.

Policy #30: Committee Member Participation and Attendance at Committee Meetings

Only those members who have been appointed and confirmed by the Board of Directors are authorized to vote on issues that come before a committee.

Committee members are expected to attend all committee meetings to which they are appointed. The failure of a committee member to attend two consecutive committee meetings or a total of three scheduled committee meetings within a calendar year shall, absent a showing of a health condition, jury duty, or catastrophic event, be deemed to be an automatic resignation from the committee.

Policy #31: Association Staff Support

All Association staff are directly responsible to and under the direction of the Chief Executive Officer. Any requests for staff time shall be coordinated through the Chief Executive Officer. The Chief Executive Officer is responsible for the hiring and terminating of employment of all staff members.

Policy #32: Committee Meeting Report Procedure

A copy of the reports of all committee meetings will be distributed to the Committee prior to their next regularly scheduled meeting.

A copy of the reports and minutes of all committee meetings will be distributed to the Board of Directors prior to their next regularly scheduled meeting. *Revised 02/26/09*

Policy #33: Board of Directors Agenda Items

Items to be placed on the Board of Directors Agenda shall be submitted to the Chief Executive Officer at least 7 days prior to the meeting. Any item which is not on the Agenda will not be discussed unless it is determined by the President or Chief Executive Officer to be of an emergency nature. If any person requesting the placement of an item on the Agenda disagrees with the decision of the President or the Chief Executive Officer, the item will require a two-thirds vote of the Directors present to be placed on the agenda.

Policy #34: Support Services for Institutes, Societies and Councils

The Association may provide reasonable administrative support services, as determined by the Chief Executive Officer, to affiliated Institutes, Societies and Councils. The Association may provide school administration services and/or funding to affiliated Institutes, Societies and Councils or, for a program that is deemed to be of significant importance to the industry, as per the Education Class Fee Structure. The Association will not obtain course or instructor approval for any other courses that are out of the direct control of the Association.

Policy #35: Noise Emitting Devices

All noise emitting communication devices must be in the silent or off mode in all Association meetings or programs.

Policy #36: Public Affairs Committee

The President shall appoint the Public Affairs Chairman pending Board ratification. The Public Affairs Committee is charged with representing the Association's official position(s) on issues contained in the Public Affairs Legislative Policy Manual (the "PALPM") as reviewed and annually approved by the Board of Directors of the Tucson Association of REALTORS®. The PALPM establishes Association positions on various city and county related public policy issues. In the event an issue is not addressed in PALPM, the consent of the Board of Directors shall be required prior to any action being taken.

The Public Affairs Committee shall be comprised of 10 or more members, at least one of whom shall be a member of the Board of Directors. The Committee is charged with monitoring and acting upon local government actions as they may relate to private property rights, real property, the real estate industry and REALTOR® interests. The quorum requirement for the Public Affairs Committee shall be at least "six members in attendance."

The Public Affairs Committee shall, no later than September of each year, be charged with reviewing and recommending any prospective changes of the PALPM to the Tucson Association of REALTORS® Board of Directors. Any recommendations for changes to the Public Affairs Legislative Policy Manual shall require a 2/3 vote or more of those in attendance at the Public Affairs Committee meeting.

The Public Affairs Committee shall be charged with reviewing, updating and making recommended changes to this, or any related, policy(ies) no later than September of each year and immediately reporting its findings to the Tucson Association of REALTORS® Board of Directors.

Except as provided for under policy statement 37 the Public Affairs Committee is charged with utilizing the resources available through the Arizona Association of REALTORS® Issues Mobilization Committee (RIMC), the National Association of REALTORS® Issues Mobilization Committee and the local Legislative Issues Reserve (LIR) in implementing Association positions as delineated in the PALPM. Allocations from the LIR are authorized pursuant to the following guidelines:

- A. Amounts less than \$5,000 (\$10,000 aggregate per issue) may be expended from the LIR. Approval must be granted by a majority of the Public Affairs Committee at a regular meeting, special meeting, or by electronic vote.*
- B. Amounts of more than \$5000 but less than \$10,000 per issue may be expended from the LIR by a 2/3rds majority vote of the Public Affairs Committee at any regular or special meeting.
- C. Any amount over \$10,000 expended from the LIR must have the majority approval of the Public Affairs Committee at any regular or special meeting and is subject to the subsequent approval of the Board of Directors either at a regular meeting or special meeting.
- D. All funding request(s) made of the LIR shall be consistent with the PALPM and these policies as may be in effect at the time of the request.
- E. All funding request(s) made to the AAR RIMC and or the NAR Issues Mobilization Committee shall comply with the policies and requirements of that committee in effect at the time of the request.
- F. ALL allocations of funds shall be in compliance with any applicable federal, state, or local laws.

*Electronic votes may be permitted at the direction of the Chair of the Public Affairs Committee or the Director of Public Affairs if the issue is time sensitive and the subject to which the expenditure request applies was agendized and discussed at a previous meeting of the Committee.

To ensure that the Legislative Issues Reserve (LIR) is funded to a minimum level of \$75,000 at the beginning of each fiscal year, the following budget related policy shall apply:

- A. In the event that the LIR falls short of the \$75,000 at the end of the fiscal year, the Board of Directors may initiate any of the following to bring the LIR to the desired fund level of \$750,000:
 - 1. an allocation from any excess funds from the general fund to the LIR;
 - 2. a special assessment of membership to the LIR;
 - 3. a portion of dues to be designated to the LIR;
 - 4. any other funding mechanism approved by the Board of Directors.
- B. In the event that the LIR exceeds \$75,000 at the end of the fiscal year, the Board of Directors may elect to reallocate the excess to the general fund. *Revised 02/26/09*

Policy #37(a): Candidate and Ballot Issue Evaluation Task Force

The Public Affairs Committee Chair shall appoint a Candidate and Ballot Issue Evaluation Task Force (the "CBTF") each year.

The CBTF shall be comprised of at least 7, and not more than 13, association members and consist of a balanced mix of registered voters from the two major political parties and registered independent voters. The members should be experienced in local politics and preferably have served on the Public Affairs Committee or its predecessor.

The RAPAC Subcommittee Chair, Tucson Association of REALTORS® President Elect and the Chair of the Public Affairs Committee shall be ex-officio members. Additionally, three of the

committee members shall be “at large members” appointed to the CBTF by the President of the Tucson Association of REALTORS®. In January of each year, the President shall solicit the membership for volunteers to serve on the CBTF. Volunteers must submit a resume and biographical information and shall qualify for potential selection based solely on their demonstrable support of the REALTOR® Party and the PALPM.

The Public Affairs Chair shall, no later than February 1 of each year, appoint the CBTF Chair, subject to Board of Directors Approval. The CBTF shall, no later than March 1 of each year, appoint the otherwise undesignated members, as well as at least one ‘alternate’ from each of the three main parties, to the CBTF and shall identify the various elections, and election cycles (e.g., primary and/or general and/or special) which the CBTF shall be charged with (e.g., City of Tucson, Town of Oro Valley, Town of Marana, Town of Sahuarita, County of Pima, School District races, County Line Officer races, or any other elective office(s) or ballot issues at the local level which are deemed to have an impact on our profession.) Interview portions of the meetings of the CBTF will be open to members of the Tucson Association of REALTORS® as non-participant observers. The Chair of the CBTF shall call an executive session for the purposes of discussing and casting votes to endorse, not endorse or oppose any endorsement.

Provided that there is no overriding circumstances or general election opposition, any candidate who is endorsed by the CBTF in a primary election shall be presumed to be endorsed in the general election. “Overriding circumstances”, for purposes of this provision, shall be determined by a vote of not less than a 70% affirmative vote of the CBTF. *Revised 02/26/09*

Policy #37(b): Candidate Endorsements

The CBTF shall be charged with interviewing, endorsing, not endorsing or opposing candidates for public office, regardless of political party. Endorsements are strictly limited to those candidates who are demonstrably supportive of "the REALTOR® Party" (e.g., are supportive of private property rights, real property, the real estate industry and the real estate related positions and policies as outlined in PALPM).

The CBTF shall, no later than April of each year, be charged with creating, updating and obtaining the annual approval by the Tucson Association of REALTORS® Board of Directors of a candidate “scorecard” and related REALTOR® party questions to be used during the candidate interview process. The scorecard and questions shall be framed directly from the PALPM and shall be identical for each interview. Relevant, timely issues/questions may be added to the questionnaire by the CBTF. Rules, guidelines and procedures will be established by the CBTF Chairman and strictly adhered to by the task force members.

The CBTF is authorized to endorse, not endorse or oppose any candidate. The endorsement, non-endorsement or opposition of any candidate shall be communicated to the Chair of the Public Affairs Committee, the Chief Executive Officer and the Tucson Association of REALTORS® Board of Directors prior to any public statement being made. The CBTF is authorized to expend RAPAC monies in support of any endorsed candidate as well as

directing all authorized internal and external mechanisms available to further the endorsement or opposition of any candidate.

The CBTF shall also be charged with reviewing, updating and making recommended changes to this policy no later than August of each year and immediately reporting their findings to the Public Affairs Committee. *Revised 02/26/09*

Policy #37(c): Public Issue (Ballot) Endorsements

The CBTF is charged with reviewing all local ballot initiatives and referenda related to private property rights, real property, the real estate industry and the PALPM. Any ballot initiatives or referenda which, in the reasonable consideration of the Public Affairs Committee or the CBTF, meaningfully affect private property rights, real property or the real estate industry and are demonstrably identified in the PALPM may be endorsed, not endorsed or opposed. The endorsement, non-endorsement or opposition of any such local ballot initiatives and referenda shall be transmitted to the Chair of the Public Affairs Committee, the Chief Executive Officer and the Tucson Association of REALTORS® Board of Directors prior to any public statement being made and shall conform to the requirements of Policy #3

Any ballot initiatives or referenda which, in the reasonable consideration of the Public Affairs Committee, meaningfully affect private property rights, real property or the real estate industry and are not identified in the PALPM shall be reviewed by the CBTF, and then referred, with a recommendation made, to the Tucson Association of REALTORS® Board of Directors for their consideration and action. Any such recommendation shall be to endorse, not endorse or oppose and shall include a related recommendation for the amendment of the PALPM which is consistent with the recommendation on the initiative or referendum in question.

The Public Affairs Committee is authorized, subject to the limitations prescribed under policy 37(a), to expend monies in support of the passage or defeat of any endorsed, or opposed, ballot initiatives and referenda as well as directing all authorized internal and external mechanisms available to further the endorsement or opposition of same.

Policy #38: Officer and Staff Endorsements

No Officer, Director or staff person of the Association may knowingly allow his/her Association title to be used for promotion of a political candidate or ballot issue. The Chief Executive Officer or Director of Public Affairs may not knowingly allow his/her name to be used for promotion of a public candidate or ballot issue.

Policy #39: Candidates for Association Elected Office

Each candidate may receive one free set of mailing labels and one free online classified ad through the Association for campaign purposes.

Policy #40: Voting Procedures

A. The Chief Executive Officer of the Tucson Association of REALTORS®, Inc. shall be responsible for implementing the voting procedures.

- B. Elections shall be conducted electronically.
- C. Members eligible to vote will be provided detailed voting instructions with the Candidate Information provided in advance of the election period. Members eligible to vote shall be those members in good standing with the Association (all dues and fees paid), have completed any course of instruction required for membership, and are classified as “voting members” by the Association’s bylaws. The election period shall be determined by the Chief Executive Officer in compliance with Policies and/or Bylaws.
- D. The election site will clearly state “Vote for not more than #.” # indicates the number of positions available.
- E. The election site will be a secure site, allowing eligible members to vote only during the election period.
- F. Members without internet access may cast their electronic vote at the Association office during the election period.
- G. In the event of a tie between two or more REALTOR® candidates for a particular vacancy, a secret ballot shall be taken at the first Board of Directors meeting, the candidate receiving the highest number of votes shall be declared elected.
- H. Voting by eligible Affiliate members for the Affiliate position on the Board of Directors shall follow the same procedures as for REALTORS®, including the written ballot by the Board of Directors in the case of a tie.
- I. At the completion of the election period, the results will be available to the Chief Executive Officer or designee via a password protected website from the electronic voting provider. No information will be maintained that would indicate who voted for whom.
- J. Results of elections shall become part of the permanent records of the Association. Results of the elections shall be announced to the membership within 7 business days of the end of the election period. Vote results shall be published on the Association website for 30 days. Vote result numbers shall not be published, but will be available to members upon request.

Policy #41: Deleted

Policy #42: Staff Relatives in Leadership Positions

Family members of staff shall not be eligible to serve as an Association Officer or on the Board of Directors. If such a relationship develops at the time a member is serving in any of said leadership positions, the elected leader or staff member must resign.

Family Member as used in this policy includes the following persons:

- A. A spouse or significant other of the staff member. Significant Other as used in this policy is one who stands in place of a spouse and who resides with the employee.
- B. A natural or adopted son or daughter of the staff member or a descendant of either.
- C. A stepson or stepdaughter of the staff member.
- D. The father or mother of the staff member or an ancestor of either.
- E. A stepfather or stepmother of staff member.
- F. A son-in-law, daughter-in-law, father-in-law or mother-in-law of the staff member.

G. A brother or sister of the staff member.

This policy includes spouse in definition of family member. *Revised 02/26/09*

Policy #43: Policy Prohibiting Harassment (including sexual harassment)

The Tucson Association of REALTORS® committed to providing a work environment that is free of discrimination and/or harassment. In keeping with this commitment, the Association will not tolerate verbal or physical conduct by any employee or Member that harasses, disrupts, or interferes with another's work performance or that creates an intimidating, offensive, or hostile environment.

- A. Employees and Members are expected to maintain a productive work environment that is free from harassing or disruptive activity. No form of harassment will be tolerated, including harassment for the following reasons: gender, race, national origin, religion, disability, pregnancy, age, military status, or sex. Special attention should be paid to the prohibition of sexual harassment, which includes harassment by members of the same or of the opposite sex.
- B. Each staff supervisor has a responsibility to keep the workplace free of any form of harassment, and in particular, sexual harassment. No employee or Member is to threaten or insinuate, either explicitly or implicitly, that an employee's refusal or willingness to submit to sexual advances will affect the employee's terms or conditions of employment.
- C. Other sexually harassing or offensive conduct in the workplace, whether committed by supervisors, managers, non-supervisory employees, or non-employees, is also prohibited. Such conduct includes:
 - 1. Unwanted or unwelcome physical contact or conduct of any kind, including sexual flirtations, touching, advances, or propositions;
 - 2. Verbal abuse;
 - 3. Jokes of a demeaning or sexual nature;
 - 4. Demeaning, insulting, intimidating, or sexually suggestive comments about an individual's dress or body;
 - 5. The display in the workplace of demeaning, insulting, intimidating, or sexually suggestive objects or pictures, including nude photographs; and
 - 6. Demeaning, insulting, intimidating, or sexually suggestive written, recorded, or electronically transmitted messages.
- D. Any of the above conduct, or other offensive conduct, directed at individuals because of their race, national origin, religion, disability, pregnancy, age, or military status is also prohibited.
- E. Any employee who believes that a supervisor's, manager's, other employee's, or non-employee's actions or words constitute unwelcome harassment has a responsibility to report or complain about the situation as soon as possible. The report or complaint should be made to the employee's supervisor, Staff Vice President, to the Chief Executive Officer or to a member of the Executive Committee of the Board of Directors.
- F. All complaints of harassment are to be referred to the Chief Executive Officer for prompt investigation in as impartial and confidential a manner as possible. Employees and Members are required to cooperate in any investigation. A timely

resolution of each complaint is to be reached and communicated to the parties involved.

- G. Retaliation against any employee for filing a complaint or participating in an investigation is strictly prohibited.
- H. Any employee or Member who is found to have violated the harassment policy will be subject to immediate and appropriate corrective action, depending on the circumstances, up to and including termination of employment or membership.

Policy #44: Alcoholic Beverages

Alcoholic beverages may only be made available or consumed at the Association facility after 5:00 p.m. MST Monday through Friday or anytime on Saturdays, Sundays, holidays, or other occasions when the Association business office is officially closed, for either Association sponsored events or in conjunction with a facility rental agreement with a third party for a special event. Exceptions to this policy require the Board of Directors' prior approval. Any Lessee desiring to make available or serve alcohol at the Association facility must provide the Association, in advance of the event, a certificate of both general commercial liability insurance and liquor legal liability insurance each in the amount of not less than one million dollars (\$1,000,000.00) naming the Association as an additional named insured on each policy. The Chief Executive Officer shall have the right to impose additional requirements he/she deems reasonably necessary to protect the interest of the Association and its facilities when alcohol will be made available or consumed at the facility.

Policy #45: Association Training Rooms

The Chief Executive Officer or designee is authorized to refuse access to any individual and or/group.

Policy #46: Role of the Board of Directors

The Board of Directors is the governing body of the Association and is empowered by the Bylaws to lead, and ultimately be responsible for, the corporation called the Tucson Association of REALTORS®, Inc.

The Board of Directors:

- Approves the strategic and business plans
- Approves the annual budget and exceptions to the budget
- Accepts financial statements
- Approves minutes of previous meetings
- Approves committee members nominated by the President
- Ratifies Executive Committee recommendations presented as a consent agenda (a board member may request special consideration of any item on the consent agenda as long as the issue is placed on the board agenda 48 hours prior to a meeting)
- Employs a Chief Executive Officer to manage the day to day affairs of the Association and who is responsible for staff
- Oversees the strategic direction of the organization
- Ensures compliance with legal norms and good business practices

The Board may, in compliance with the Bylaws and Policy Statements, have access to any corporate documents, review any process or service of the Association and pass binding resolutions to achieve the goals of the organization.

The Board of Directors is a strategic body that oversees the strategic plan and delegates to committees and staff the roles of policy development and administration.

The role of a Director is to:

- Regularly and punctually attend meetings and stay for the entire meeting except when prior approval to leave early has been granted by the President.
- Serve on a committee
- Offer opinions and exercise reasonable judgment on issues before the Board
- Understand the fiduciary responsibility to the corporation and exercise reasonable prudence in fulfilling that responsibility without regard for personal business interests
- Know the financial condition of the Association and be acquainted with the budget process
- Be primarily concerned with the strategic direction of the organization delegating operations and consideration of action items to committees or staff

Policy #47: Role of the Executive Committee

The Executive Committee consists of:

President
Past President
President Elect
Vice President
Treasurer
Chief Executive Officer (secretary and non voting member)

The Executive Committee provides oversight of committee and staff actions and provide appropriate recommendations to the Board of Directors. The Executive Committee is also empowered, within parameters established by the Bylaws and Policy Statements of the Board of Directors, to transact emergency business.

The Executive Committee

- Approves minutes of the previous meeting
- Reviews and recommends financial statements to the Board of Directors
- Prepares the annual Association budget
- Reviews and approves committee decisions
- Approves appropriate staff requests
- Oversees operations of the Association
- Ensures compliance with legal norms and good business practices

- Take appropriate action on an emergency basis between Board of Director meetings
- Meet as an oversight committee, with the Association attorney, to consider issues listed in the authority matrix

The Executive Committee member

The Role of the Executive Committee Member is to:

- Regularly and punctually attend meetings and stay for the entire meeting except when prior approval to leave early has been granted by the President.
- Offer opinions and exercise reasonable judgment on issues before the committee
- Know the financial condition of the Association and be acquainted with the budget process
- Be primarily concerned with achieving the strategic and business plan and providing the appropriate amount of oversight for operations
- Understand the fiduciary responsibility to the corporation and exercise reasonable prudence in fulfilling that responsibility without regard for personal business interests
- Understand the decision making processes of the Association and respect the roles delegated to committees and staff with reasonable deference to their due diligence in recommending appropriate action to the Executive Committee

Policy #48: Role of Committees

Committees consist of volunteer members approved by the Board of Directors and a non-voting staff liaison member (key staff) assigned by the Chief Executive Officer. Committees carefully consider issues within their scope of responsibility and work to achieve the goals of the Strategic and Business Plans. Committees recommend policies and action plans to the Board of Directors for approval. A committee member, including the chair, may be removed by the President if the member is not fulfilling the obligation of the committee to achieve the Strategic and Business Plans, or does not comply with responsibilities listed below.

Role of the Chair

- Schedule and effectively preside over meetings
- Know the scope and purpose of the committee
- Know the financial and budgetary parameters of the committee
- Develop a strategy for achieving the goals of the business plan
- Manage the workload of the committee with due consideration for members' time
- Appoint subcommittees and work groups when appropriate
- Ensure that committee members have meaningful input and are consulted on all matters facing the committee
- Genuinely reflect the will of the committee
- Develop future leaders
- Attend Executive Committee or Board of Directors meetings when a topic is controversial or requires special expertise that cannot be provided by staff or at the request of the President or Chief Executive Officer

- Provide general guidance and serve as a resource to the key staff member for questions or clarification
- Understand the decision making processes of the Association and respect the rights and privileges delegated to staff with reasonable deference to their due diligence in recommending appropriate action to the committee

Role of the Committee Member

- Regularly and punctually attend meetings
- Develop expertise in the committee's area of responsibility
- Serve on subcommittees or workgroups as time permits
- Offer opinions and exercise reasonable judgment on issues before the committee without regard for personal business interests
- Serve as a resource to the Chair and key staff person for advice and guidance
- Positively represent committee decisions to Association members and the public
- Respect the management role delegated to staff with reasonable deference to their due diligence in carrying out their duties

Policy #49: Role of Staff Liaisons

The Chief Executive Officer assigns staff liaisons to committees to support the work of the committee, memorialize meetings, notify members of the meeting, prepare the agenda with the Chair, administer committee work between meetings, coordinate with other key staff and communicate with the Executive Committee and the Board of Directors. The key staff member is a non-voting member of the committee with the responsibilities of a committee member.

Additional key staff person responsibilities

- Know the committee's purpose and scope and enable communication between the Board of Directors, Executive Committee, committee leadership and senior management
- Serve as a resource to chairs on processes for effectively managing meetings and the purpose of the committee
- Prepare the meeting site, notify members of meetings, prepare the agenda with the chair and memorialize the meeting
- Work with senior management to avoid duplication and create synergy between committees
- Know the financial aspects of the committee and be familiar with the budget process
- Ensure the committee has clear outcomes and evaluate progress against goals throughout the year with regular reports to the Executive Committee
- Work with senior management to avoid conflicts between committees
- Provide administrative support for committees and perform administrative duties between meetings
- Respect the rights and privileges of the Board of Directors, Executive Committee and committees, their authority to set policy and guidelines with reasonable deference to their expertise and recognition the Association exists for their benefit

Policy #50 President Advisory Groups, Task Forces and Work Groups

The President may appoint a Presidential Advisory Group (PAG) to consider specific topics and issue specific recommendations to the President. The Board of Directors may authorize a Task Force to consider specific topics and issue recommendations to the Board. The Board of Directors, Executive Committee and/or committee chairs may create a work group to discuss general issues for the mutual education of all members.

Policy #51: Vice President(s)

Article XIII, Section 1(b) of the Association Bylaws empowers the Board of Directors to appoint employees to offices of staff vice presidents. The following vice presidents are recognized with the accompanying job descriptions:

Senior Vice President – Duties

The Senior Vice President shall be a full-time employee of the Association responsible for the following:

- manage all member services functions and personnel management including hiring, employee development and terminations
- manage member service deliverables including budgets, quality of deliverables and enhance the effectiveness of such programs through process improvements
- maintain and monitor internal documents, elections, Bylaws and Policy Statements
- monitor industry trends leading to improving existing or offering new products and services for members
- ensure security of member confidential information
- work in conjunction with the Association’s marketing personnel to assist in the creation and promotion of programs that result in measurable increases in the utilization and awareness of member service functions
- be accountable for maintaining high quality services and product delivery to members
- be responsible for establishing and implementing plans necessary to implement or update comprehensive technologies of the Association
- interface with members to resolve member concerns to positive conclusions
- perform all other duties as assigned from time to time by the Chief Executive Officer.

Vice President of Finance and Administration - Duties

The Vice President of Finance and Administration shall be a full-time employee of the Association responsible for all financial and administrative activities of the Association including, but not limited to, the following duties:

- supervise the accounting department
- be responsible for appropriate financial advising, financial planning, financial analysis
- maintain a complete set of financial records of the association and the Multiple Listing Service, tracking all accounts and periodically testing and verifying the accuracy of procedures used for the recording of all financial transactions
- prepare, control, and verify as appropriate association accounts utilizing generally accepted accounting practices and principles

- systematize and computerize the various bookkeeping systems to the extent appropriate for the Association
- timely prepare monthly, year-to-date, customized, and annual financial statements as appropriate
- assist in the annual budget preparation and monitor on-going compliance therewith
- monitor all deferred compensation plans and general insurance coverages of the Association
- prepare and file all required governmental tax reports and returns
- supervise, monitor and control all administrative functions of the Association and the Multiple Listing Service
- continuously train, monitor, and deploy personnel and resources as needed based on work priorities
- assist the treasurer as needed in the accomplishments of the duties of the treasurer
- perform such other services as are inherent and necessary for the orderly function of the financial and administrative departments of the Association
- perform such other services as are requested from time to time by the Chief Executive Officer.

Policy #52: Legal Policy

All Tucson Association of REALTORS® documents and information contained in hard copy or in electronic storage are private property of the Association and shall be treated as confidential information. The staff of the Tucson Association of REALTORS® and The Tucson Association of REALTORS® Multiple Listing Service are permitted, and instructed, to cooperate with any governmental law enforcement agencies and courts and provide such confidential information only under the following circumstances:

1. The law enforcement agency or court must present a valid subpoena detailing the documents or information requested to the Chief Executive Officer (“CEO”).
2. Staff, acting under the direct supervision of the CEO or his/her designee will cooperate with the law enforcement agency or court to expeditiously provide the requested documents or information within the parameters of the subpoena but will not voluntarily provide any documents or information beyond the terms of the subpoena.