



TUCSON ASSOCIATION OF REALTORS®

POLICY STATEMENTS

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Mission Statement

We champion real estate and strengthen the success of those we serve by advocating, connecting, and educating. 11/07/23

Vision

Igniting excellence and fostering professional success as trusted leaders and the Voice for Real Estate in Southern Arizona. 11/07/23

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 and 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 strategic plan. *Revised 01/11/18*

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 (2–3 year) strategic vision and a short term (1 year) business plan to help achieve that vision *Revised 02/03/11*
- B. Committees that are fluid, determine policy within defined parameters and develop policy and action plans for achieving specific objectives
- C. A 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," "Forum", 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 or changes to existing policies must be approved by the Board of Directors. 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 for presentation to the Executive Committee prior to presentation to the Board of Directors for consideration. *Revised 07/21/16*

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, and the Chief Executive Officer, or the Chief Executive Officer's designee, 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 07/21/16*

Policy #3: Public Policy Statements Made By Association Committees

Only the Home and Property Advocates Committee Chair (or their designee with the approval of the President) and the Government Affairs Director are empowered to make public policy statements which are consistent with the Legislative Policy Manual (LPM) 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 07/21/16*

Policy #3(a): Internal or External Communication

No TAR communication (to the public or to association members) shall be disseminated which advocates contrary to these policies, the adopted Legislative Policy Manual, or the endorsement / opposition to any candidate or ballot measure upon which the Association has taken a position. *Adopted 09/16/16*

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.

Company Policies. Members shall not discuss with any competitor individual company policies relating to competitive policies, pricing or related types of sensitive information, including (a) commission levels, fees, business expenses or other business information or policies that would allow or encourage price fixing or maintenance; (b) bidding strategies either in general or for specific properties or any other information that would allow or encourage bid rigging; (c) a firm's competitive business decisions, including its policies regarding dealing with those firms offering different business models; (d) policies regarding the duration or types of listing agreements the firm will enter into or the form of compensation the firm will accept or negotiate; (e) the compensation offered or paid to a firm's agents or employees; (f) plans concerning any proposed or existing customers, clients or territories; (g) any other actions that might be construed as concerted attempts to restrain competition, including joint attempts to control or affect prices, market conditions, marketing practices, customer choice, or the like.

REALTOR® Association Membership. Membership in TAR is open to any individual or entity meeting the membership qualifications set forth in the bylaws of the association, without regard to the type of business models employed by its company. No member shall influence the leadership of TAR that membership be limited to companies practicing particular business

models, or that membership be denied to companies or members practicing business models with which the member is in competition or with which the member is unfamiliar or uncomfortable. Members shall take no action to influence the business conduct of customers or other members towards such competitors. *Revised 03/17/16*

Conduct of Meetings. All TAR meetings will be conducted in full compliance with antitrust laws. Discussion of any topic suggestive of an intent or agreement to restrict competition or fix prices shall be improper. Among such topics and discussions are:

- A. Discussions of individual company policies and practices;
 - B. Criticism of another company's practices or of any particular business model; and
 - C. Suggestions that TAR exclude from membership or participation those who practice any particular business model or engage in any unfamiliar or innovative activity or practice.
- Despite the fact that TAR counsel and staff are well versed in antitrust matters, the presences of counsel or staff at a meeting should not invite discussion of matters that violate the letter or spirit of this policy or the antitrust laws. It is the responsibility of each member in the first instance to avoid raising improper subjects for discussion. However, if discussion of any inappropriate topics occurs at any meeting, all members present should openly disassociate themselves from such discussions, and if the discussions do not end immediately, the meeting should be brought to a prompt adjournment by the person in charge of the conduct of the meeting. Committee chairs and others conducting meetings will find that adherence to prepared agendas for all TAR meetings will reduce the likelihood of inappropriate discussions.

Informal Settings. Members should also be aware that informal or social settings are inappropriate for discussion of the topics described in this policy, and that casual comments – even those made in jest – might have serious antitrust implications.

Enforcement Policy. This policy statement has been prepared to assure that TAR members, and especially TAR volunteers in TAR and other REALTOR® association meetings, are aware of their obligations under antitrust law. Consequently, members conducting or participating in meetings of any REALTOR® association shall see to the strict enforcement of this policy. Volunteers and participants may be required, as a condition of participation on TAR committees, work groups, task forces, leadership groups, governing bodies or other groups affiliated with TAR, to execute a copy of this policy to affirm their acceptance of its principles and agreement to comply with its terms. Members with questions about antitrust issues should contact competent advice in all cases involving specific situations as they arise, or when in need of guidance.

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

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: Group Discounts

All requests to the Tucson Association of REALTORS® from individuals or organizations to provide group discounts to Association membership shall be referred to the appropriate committee(s) for approval subject to input and approval by the Chief Executive Officer.

- A. Requests/offers shall be made in writing.
- B. Proposed product or service shall fit within the Association's current Vision and Mission Statements.
- C. Membership must receive a pricing structure that is a group discount due to their Association membership. If the pricing structure offered is readily available to the general public through other outlets, the Association shall decline the offer.
- D. Proposed products shall not be in competition with items sold through the Association store.
- E. Consideration should include any potential legal or ethical responsibilities and risks for the Association, its employees and members that may be incurred for promoting the product or service to membership.
- F. There shall not be a monetary commitment needed from the Association to promote product/service/group discount.
- G. The product/service shall be competitive in quality and cost with similar products/service in the industry.
- H. The product/service must meet the needs of the membership.
- I. 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.
- J. The provider must state in writing their procedure for handling customer complaints.

Revised 07/21/16

Policy #8: TAR Publications: Advertising

Affiliates and members may advertise in TAR Publications. 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 including, but not be limited to advertising that is: defamatory, libelous, obscene, an invasion of privacy or which has been obtained in violation of the proprietary right of any person or entity.

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 07/21/16*

Policy #9: Facility Rental, Use and Event Advertising

- A. Affiliates, members and non-members may rent the Association conference facilities.
- B. When non-Affiliate companies/organizations rent space from TAR to present a program or event, the subject matter may be of interest to REALTORS®. Note however, that TAR is simply making the meeting space available as a room rental; the program/event is not affiliated with TAR. Under those terms, TAR does not promote a rental group's program/event in any way.
- C. Individuals and groups that rent TAR facilities agree that they will not:
 - 1. Bring in any outside audio/visual equipment.
 - 2. Disconnect or disable any TAR audio/visual equipment
 - 3. Disconnect or disable any lighting fixtures
- D. Public officials, governmental entities and non-profit organizations are eligible to use, without charge, Association facilities for nonpartisan, educational / informational events, press conferences and similar functions subject to the approval of the CEO and the President.

Revised 09/26/23

Policy #10: Sponsorship / Partnership / Membership

The Tucson Association of REALTORS® through its committees or the Board of Directors, support community-related sponsorship endeavors, subject to the approval of the Board of Directors. *Revised 09/15/16*

Policy #10(a): Sponsorship / Partnership / Membership Guidelines

Funds in excess of \$5000 approved by the Board of Directors shall:

- A. be made only when there is a clear, demonstrable and quantifiable benefit to the membership of TAR.
- B. No funds shall commit TAR for an ongoing period of more than 3 budget cycles.
- C. Recipients of funds shall (annually) provide a written report with data demonstrating return on investment to the membership of TAR.

Adopted 09/15/16

Policy #11: 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 #12: 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. Dues shall be payable within thirty (30) days of activating the real estate license with a Designated REALTOR®. *Revised 11/17/16*

Collection procedures are outline in ARTICLE X, Section 4 (Nonpayment of Financial Obligations) of the Association Bylaws.

- A. Dues not received within 10 calendar days of the due date will be subject to a \$100 late fee. *Revised 1/1/20*
- B. Applicants reapplying for Membership after termination shall pay a \$75 application fee in addition to any outstanding monies owed by the Applicant. *Revised 09/26/23*

Publication of fees, dues and assessments shall be located on the TAR, TAR/MLS Price List. *Revised 09/15/16*

Policy #13: 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. Dues shall be payable within thirty (30) days of activating the real estate license with a Designated REALTOR®. *Revised 11/17/16*

Collection procedures are outlined in ARTICLE X, Section 4 (Nonpayment of Financial Obligations) of the Association Bylaws.

- A. Any returned checks are subject to a \$25 service charge. One attempt will be made to collect on a Non-Sufficient Fund "NSF" check. Payments not received within 15 calendar days of notice to the member, will be turned over to the Pima County Attorney's program for bad check collection.
- B. Payments not received within 10 calendar days of the due date will be subject to a \$100 late fee. *Revised 1/1/20*

Policy #14: Account Funds

Monies received by TAR shall be placed in an operating account. Subsequently, monies will be transferred to the appropriate accounts as identified by policy, bylaw, or as may be directed by the Board of Directors. All sums placed in named, designated Reserve Accounts shall be a continuing item placed on the Reserve and Equity Sheet and shall be so identified, and shall be utilized only per designation. Designated Reserve Accounts shall be invested in cash equivalents (i.e. short term CD's and treasuries or investment grade money market funds). Reserve Account Funds in excess of 6 months of annualized operating expenses may be invested and managed according to the most current TAR Investment Guidelines and the TAR Bylaws. *Revised 08/22/2023*

Policy #15: Reserves

- A. **Operating Reserves.** TAR shall maintain sufficient funding designated for operating

expenses in the event there is insufficient income to cover ongoing expenses to ensure that TAR may continue to be fully operational. Sufficient funding is deemed to be the equivalent of nine (9) months of annualized operating expenses. Necessary capital expenses can come from this account with board approval if the balance is in excess of nine (9) months. Any necessary capital expenditures that cause the minimum operating reserves to dip below the required threshold will need board approval and requires a reserve analysis to be presented to the board for approval. *Adopted 8/22/2023*

- B. **Legislative Issues Reserves** – TAR shall maintain a Legislative Issues Reserve account to provide for funding consistent with Policy #32. *Adopted 8/22/2023*
- C. **S.T.A.R. Fund Reserves.** TAR shall maintain a S.T.A.R. Fund Reserve, funded from ¼ of 1% of budgeted annual income line. At the end of each fiscal year, any unused S.T.A.R. funds will be designated as general funds. *Adopted 8/22/2023*
- D. **Reach Ventures Investment.** The NAR Reach Ventures Investment is a \$100,000 investment that was made in 2019 and will mature in 2029. The current value will be reported to the Board of Directors annually. *Adopted 8/22/2023*

Policy #16: 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 #17: Contract/Encumbrances

The President or the Chief Executive Officer are authorized to enter into contracts or agreements in conforming to the annual operating budget as previously approved by the Board of Directors which incur financial or other liabilities to the Association. In specific situations senior staff members may be given the authority to sign checks and/or contracts in the absence of the Chief Executive Officer. In no instance may the individual entering into contracts or agreements be the same individual signing checks. *Revised 07/21/16*

Policy #18: 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 \$5,000, at least three written bids will be presented to the Board of Directors as part of the recommendation providing there are three providers of satisfactory quality available for the 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. If the amount of the recommended bid is more than \$15,000, the Executive Committee recommendation will then go to the Board of Directors for consideration as an agenda item. If it is less than \$15,000 it shall be placed on the Consent Agenda.

- E. Periodically the Chief Executive Officer, will determine the need/benefit of rebidding any existing product or service. 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 07/21/16*

Policy #19: Member Travel

Members traveling on behalf of TAR shall be reimbursed for related expenses under the following conditions:

- A. Members traveling on behalf of TAR are deemed to be the President, President-Elect, Incoming President-Elect, NAR Directors, Federal Political Coordinators, NAR Committee members, AAR Directors, and Vice Chair of the YPN Committee.
- B. Any member traveling on behalf of TAR who is otherwise reimbursed from another source shall deduct that reimbursement from their expenses prior to the submission for TAR reimbursement.
- C. Reimbursable expenses are explicitly limited to coach airfare, meeting registration, lodging, meals & incidentals, guest entertainment¹, tips, transportation (e.g., Uber, bus, taxi, train, car rental, etc.), parking, and the use of personal vehicles (round trip to and from the airport, or if the travel is in-state [or otherwise approved by the CEO] then round trip to and from the destination from the volunteer's home). Personal vehicle use will be reimbursed based on the then current IRS guidelines.
- D. Any mileage reimbursement request must include an electronically generated map showing the route and one way mileage total as well as the starting and ending odometer reading from the vehicle used. Failure to include these items will result in the mileage reimbursement being denied.
- E. Rental cars are reimbursable only when other methods of transportation are not obtainable, or it can be demonstrated that the rental car costs (inclusive of reimbursable gas and insurance costs) are less expensive. Any member intending on renting a car shall consult with the CEO prior to doing so. CEO approval of any car rental is conditioned upon the total cost and demonstration that the rental car will be properly insured (collision and liability coverage must be purchased from the rental company or it must be demonstrated that the member's primary auto insurance covers same). Car rental and gasoline receipts must be submitted regardless of expense amounts. Mileage, to and from the car rental location and to and from members hotel to the meeting venue are reimbursable. The member must document the meetings attended and related mileage reimbursements. If insurance is purchased through the car rental agency, the reimbursement amount will be limited to two (2) days of travel (to and from the meetings), and the number of days which the member attended at least one

¹ Reimbursement for guest entertainment is conditioned upon demonstration that the meeting was primarily for the advancement of TAR's business goals and concerns. The expense report MUST include the names of the guest(s) & the business purpose per IRS requirements.

meeting at the event.

- F. Reimbursement expenses must be submitted to accounts payable@tucsonrealtors.org on the approved Member Expense Report Form (<https://www.tucsonrealtors.org/member-tools/forms-documents>) together with all related receipts*. Incomplete submissions will not be processed. If discrepancies are noted on the expense report, the designated Association Staff member will contact the member to resolve the issue. If there are special circumstances², instructions on how to resubmit expense items to TAR will be provided by the CEO upon request. Complete submissions will be processed for payment within 10 days of receipt.
- G. Member Expense Reports, together with any required meeting report(s), are required to be submitted within 30 days from the last day of the event, or the return travel date (whichever is earlier), or reimbursement shall be deemed waived by the member.

*Receipts for any approved expenditure are required if the amount of the expense exceeds \$25. Actual expenses of less than \$25 which are submitted for reimbursement and which do not have an associated receipt will be aggregated and capped at not more than \$200.00.

Travel by the President and President-Elect is approved for the following meetings: The NAR Annual Convention**, NAR Mid-Year Meeting & Legislative Conference**, the annual NAR Region 11 Meeting, the NAR Leadership Summit (President-Elect only), AAR Board of Directors Meetings, the Arizona REALTOR® Convention, AAR Leadership Conference, and the AAR Leadership Training Academy (President-Elect only).

Travel by NAR Committee members is approved for the following meetings: The NAR Annual Convention and the NAR Mid-Year Meeting & Legislative Conference. Reimbursement for these meetings is conditioned upon*** attendance of the applicable Committee meeting(s), the AAR Caucus, and the Region 11 Caucus.

Travel by the YPN Vice Chair is approved for the YPN Advance during NAR Leadership Week. Reimbursement for this meeting is conditioned upon*** attendance of the applicable meeting(s).

***Additionally, NAR Directors, NAR Committee members, and the YPN Vice Chair are required to submit a written report of their activities and related, pertinent, information to the Vice President of Administration within 30 days of the NAR Meeting to receive reimbursement.

Travel by AAR Directors is approved for all AAR Board of Directors meetings. Reimbursement for these meetings is conditioned upon attendance of same.

Travel to NAR meetings shall be reimbursed up to, but not more than, \$3,000.00.

Travel to AAR meeting shall be reimbursed up to, but not more than, \$700.00.

² “Special Circumstances” are limited to “acts of God” (e.g., natural disaster, death, jury duty, deployment orders, and other similar events which are not within the control of the volunteer).

Reimbursable travel expenses shall be adjusted every 5 years using the Bureau of Labor Statistics consumer price index and budgeted for accordingly.

Revised 09/26/23

Policy #20: Volunteer payment of non-reimbursable expenses

Any volunteer using a TAR credit card, or other TAR payment system, who uses same to pay for any non-reimbursable expense(s) agrees to pay any such expense(s) within 30 days of incurring any such expense. *Revised 09/26/23*

Policy #21: RAPAC and TRCF Support Policy

Association volunteers are servant leaders who build upon the efforts of those that came before them. The Membership looks to us for guidance and leadership of all kinds, not the least of which is showing support for both RAPAC and the TRCF by making financial contributions, attending related events, and promoting related activities.

While not mandatory, donations by all TAR volunteers to both RAPAC and TRFC are strongly encouraged so that we might continue to build a culture of participation and leadership by doing that which we ask of our members. *Adopted 09/26/23*

Policy #22: Committee Communications

Except as provided under Policy #3, under no circumstances shall a Committee Chair send any information to the public related to the committee which is not coordinated with Chief Executive Officer or President. *Revised 02/03/11*

Committee communications which promote to the public a function through a press release or any electronic means shall require the prior approval of the Chief Executive Officer, Designated Staff or President. Said communications release shall be written and released by the Chief Executive Officer, Designated Staff or President. *Revised 07/21/16*

Policy #23: Association Open Meeting and Executive Sessions Policy

All committees, the Executive committee, and Board of Directors meetings of the Tucson Association of REALTORS® shall be open to the membership at-large except when an executive session is called.

The Board of Directors, Executive Committee, and the Candidate and Ballot Measures Task Force are authorized to conduct Executive Sessions within the parameters specified in the Bylaws and these Policies. *Revised 09/26/23*

Policy #24: 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. *Revised 01/11/18*

Policy #25: 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.

When outside facilities are required for use by any committee, approval must first be obtained from the President or the Chief Executive Officer. *Revised 07/21/16*

Policy #26: Community Events

The CEO shall coordinate attendance at community events with the Executive Committees input as time permits to determine which events will be attended and who will represent TAR. The events include but are not limited to the state of county / state of city luncheon; the state of the state luncheon; the congressional state of the district luncheons, the Sun Corridor annual luncheon, SAHBA installation and any other similar events approved by the CEO.

Revised 09/26/23

Policy #27: Relationship of the Staff / CEO / Board

All Association staff are directly responsible to, and under the direction of, the Chief Executive Officer. The Chief Executive Officer is responsible for the management and employment of all staff members.

The CEO is charged with carrying out the policies, programs and services established by the Board of Directors. *Revised 09/26/23*

Policy #28: Committee Meeting Minutes and Agenda Procedures

A copy of the minutes of all committee meetings shall be emailed to the Committee members at least five (5) business days prior to their next regularly scheduled meeting. The Committee Agenda shall be made available prior to their next regularly scheduled meeting. The agenda shall include the following notices: "Agendas are subject to change at any time prior to the start of the meeting" and "Minutes from all TAR Committee and Task Force meetings are available upon request". *Revised 09/26/23*

Policy #29: Board of Directors Agenda Items

Items to be placed on the Board of Directors Agenda shall be submitted to the Chief Executive Officer and President 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 an emergency. Any person requesting the placement of an item on the Agenda which is deemed not to be an emergency by the President or the Chief Executive Officer, may appeal that decision directly to the Board of Directors, and in such case the item will require a two-thirds affirmative vote to be placed on the agenda. *Revised 07/21/16*

Policy #30: 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. The Association will not obtain course or instructor approval for any other courses that are out of

the direct control of the Association. *Revised 02/03/11*

Policy #31: Noise Emitting Devices

All noise emitting devices must be in the silent or off mode in all Association meetings or programs unless being used for meeting purposes. *Revised 07/21/16*

Policy #32: Home and Property Advocates Committee

The Home and Property Advocates Committee (HPAC) is charged with representing the Tucson Association of REALTORS® (TAR) official position(s) on issues contained in the Legislative Policy Manual (LPM) as reviewed and annually approved by the Tucson Association of REALTORS® Board of Directors (BOD). The LPM establishes Association positions on various city and county related public policy issues and acknowledges any state or federal issues. In the event an issue is not addressed in LPM, the consent of the BOD shall be required prior to any action being taken. The HPAC 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 President-Elect of TAR shall appoint the incoming HPAC Chair (who shall have actively served at least 1 year out of the previous 2 years on the HPAC prior to serving as Chair), pending BOD approval, not later than November 1st for consideration and approval at the November BOD meeting. The HPAC shall be composed of not less than 10 members. The HPAC shall be composed of the Chair, Vice Chair, Immediate Past Chair, President Elect of TAR, at least one Director of the BOD and not less than 7 members who have a demonstrable interest in public policy issues. At least 1 Federal Political Coordinator (FPC) and 1 Young Professional Network (YPN) member, are encouraged to join the HPAC. The Vice Chair shall serve in the absence of the Chair.

The HPAC Chair, in conjunction with the Government Affairs Director (GAD), shall be charged with making recommendations to the President of TAR regarding the filling of vacancies on local boards, commissions, agencies, committees and task forces.

HPAC is prohibited from endorsing or supporting individual zoning cases, or Board of Adjustment cases.

HPAC is charged with agendaizing the following:

- A. Not later than June of each year; the review of any state issues which may then be supported by TAR for submission to the AAR Caucus.
- B. Not later than August of each year; reviewing and suggesting changes to these TAR Policies, and the LPM, to the Board of Directors (BOD). Any recommended changes to the Policies or the LPM shall require a 2/3rd majority vote.
- C. Not later than October of each year, reviewing the likely electoral landscape (elections, ballot measures, and initiatives) and providing any related guidance to the Elections Task Force (ETF).

The HPAC and the Elections Task Force (ETF) are charged with utilizing the resources available

through the Arizona Association of REALTORS® Issues Mobilization Committee (RIMC), the National Association of REALTORS® Issues Mobilization Committee (NARIMC) and the local Legislative Issues Reserve (LIR) in implementing Association positions as delineated in the LPM. Allocations from the LIR are authorized pursuant to the following guidelines:

- A. Amounts less than \$10,000 (\$20,000 aggregate per issue) may be expended from the LIR. Approval must be granted by a majority of the HPAC or the ETF at a regular meeting, special meeting, or by electronic vote. *
- B. Amounts of more than \$10,000 but less than \$20,000 per issue may be expended from the LIR by a 2/3rds majority vote of the HPAC or the ETF at a regular meeting or special meeting.
- C. Any amount over \$20,000 expended from the LIR must have the majority approval of the HPAC or the ETF at any regular or special meeting and is subject to the subsequent approval of the BOD at a regular meeting or special meeting.
- D. All funding request(s) made of the LIR shall be consistent with the LPM and these policies as may be in effect at the time of the request.
- E. All funding request(s) made to the RIMC and or the NARIMC shall comply with the policies and requirements of that committee in effect at the time of the request.
- F. ALL allocations and expenditures of funds shall be in compliance with any and all applicable federal, state, or local laws.

*Electronic votes may be permitted at the direction of the HPAC Chair or GAD provided that the subject to which the expenditure request applies was previously discussed by HPAC or the ETF.

The HPAC Chair, in consultation with the GAD, (in compliance with Policy#3), is authorized to make public announcements.

To ensure that the LIR is funded to a minimum level of \$150,000 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 \$150,000 at the end of the fiscal year, the BOD shall initiate any of the following to bring the LIR to the desired fund level of \$150,000;
 - 1. an allocation of 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 BOD.
- B. If the LIR exceeds \$150,000 at the end of the fiscal year, the Board of Directors may elect to reallocate the excess to the general fund.

Revised date 08/22/2023

Policy #33(a): Elections Task Force (ETF)

The Elections Task Force (ETF) shall be composed of at least 7, and not more than 13, Tucson Association of REALTOR® (TAR) 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 Home and Property Advocates Committee (HPAC). At least one Director of the Tucson Association of REALTORS® Board of Directors (BOD) shall also serve on the ETF. The Chair of the TAR REALTORS® of Arizona Political Action Committee (RAPAC), President-Elect of TAR and the Chair of HPAC shall be ex-

officio members. Additionally, three of the ETF members shall be “at large members” appointed to the ETF by the President-Elect TAR. Not later than February 1st of each year, the President-Elect of TAR shall solicit the membership for members to serve on the ETF. Members must submit a resume and biographical information and shall qualify for potential selection based solely on their demonstrable support of RAPAC and the Legislative Policy Manual (LPM).

The HPAC Chair shall, not later than December 15th of each year, appoint the incoming ETF Chair, (subject to BOD approval), and simultaneously communicate all relevant information pertaining to the upcoming electoral landscape as determined by HPAC to same. The ETF chair, in conjunction with the GAD shall discuss the need for any early engagement which may be required due to a Special Election, any TAR supported initiative(s), or primary election campaign(s) in which TAR may engage in.

The ETF Chair, not later than February 1 of each year, shall appoint any otherwise undesignated members, as well as at least one ‘alternate’ from each of the three main parties, to the ETF. The ETF Chair shall identify the various elections, and election cycles (e.g., primary and/or general and/or special) which the ETF 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 ETF shall be open to members of the TAR as non-participant observers. The Chair of the Task Force shall call an executive session for the purposes of discussing and casting votes to endorse not endorse or oppose any candidate or ballot measure.

Provided that there are no overriding circumstances or general election opposition, any candidate who is endorsed by the ETF 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 majority vote of the ETF. *Revised 08/22/2023*

Policy #33(b): Candidate Endorsements

The ETF 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 LPM (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 the LPM).

The ETF shall, not later than May 30th of each year, be charged with creating, the relevant questions to be used during the candidate interview process. The questions shall be framed directly from the LPM and shall be identical for each interview. Relevant, timely issues/questions may be added to the questionnaire by the ETF. Rules, guidelines and procedures will be established by the ETF Chair and strictly adhered to by the ETF members.

The ETF 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 HPAC, the Chief Executive Officer (CEO) of TAR and the BOD prior to any public statement being made

and shall conform to the requirements of Policy Statement #3. The Task Force 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. *Revised 08/22/2023*

Policy #33(c): Ballot Measure Endorsements

The ETF is charged with reviewing all local ballot initiatives and referenda related to private property rights, real property, the real estate industry and the LPM. Any ballot initiatives or referenda which, in the reasonable consideration of the HPAC or the ETF, meaningfully affect private property rights, real property or the real estate industry and are demonstrably identified in the LPM 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 HPAC, the CEO and the BOD prior to any public statement being made and shall conform to the requirements of Policy Statement #3.


Any ballot initiatives or referenda which, in the reasonable consideration of the HPAC, meaningfully affect private property rights, real property or the real estate industry and are not identified in the LPM shall be referred to and reviewed by the ETF, and then referred, with a recommendation made to the BOD for their consideration and action. Any such recommendation shall be to endorse, not endorse or oppose and shall include the rationale and related recommendation(s) for the amendment of the LPM which is consistent with the recommendation on the initiative or referendum in question.

The ETF is authorized, subject to the limitations prescribed under Policy Statement #34, to spend monies in support of the passage or defeat of any endorsed, or opposed, ballot initiatives and/or referenda as well as directing all authorized internal and external mechanisms available to further the endorsement or opposition of same.

The REALTOR® Party

The “REALTOR® Party” is a powerful alliance of REALTORS® together with the local, state, and national REALTOR® Associations working to protect and promote homeownership and property rights by advocating for public policies and candidates (regardless of political affiliation) that build resilient communities and promote a vibrant business environment.

The power of the REALTOR® Party is in the member and the power of the member is in the REALTOR® Party.

We are the Party of ®
Revised 08/22/2023

Policy #34: Officer and Staff Political Endorsements

No Officer and Director or staff person of the Association may knowingly allow their Association title to be used in the endorsement, or opposition, of a political candidate, ballot measure or referendum unless that endorsement, or opposition conforms to the duly adopted position(s) of the ETF. The Chief Executive Officer, the President or Government Affairs Director may not knowingly allow his/her name to be used for the promotion of a public candidate or ballot

Policy #35: Candidates for Association Elected Office

Each candidate may receive one Association email blast for campaign purposes. Revised 02/03/11

Policy #36: 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 his/her designee via a password protected website from the electronic voting provider. The President, or, if the President declines, the President-Elect shall have the right to view the results from the electronic voting provider to verify the results of the election. No information will be maintained that would indicate who voted for whom. Revised 07/21/16
- 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.
- K. All candidates will be notified by phone by the CEO or their appointed assignee and/or President by 10:00am the day after the election. Adopted 09/26/23

Policy #37: Limitation of Representatives from Firms

The Nominating, Credentials and Recognition Committee shall be responsible to advise all candidates running for a position of Officer or Director of the Association that pursuant to the

Bylaws Article XI Section 1 the maximum number of Directors associated with any one firm who may simultaneously serve in such positions shall be limited to three (3) persons; of the three (3) Directors, a maximum number of two (2) Directors can be Officers. The Committee shall prepare a written statement to be signed by each candidate running for a position as an Officer or Director acknowledging that the candidate has reviewed and is familiar with this Policy #39. Concerning the three Director limitation from any one firm the following rules shall govern the elections:

- A. If there are currently three (3) Directors serving (who will continue to serve following the election) from any one firm, then any candidate associated with that same firm wishing to run for the position of Director is advised (s)he is ineligible to run. If there is no other candidate who ran for that same position or who ran but, for any reason, is not willing to assume that position, then the position shall be declared vacant. The vacant position shall be filled expeditiously by the President making a recommendation of an eligible person to fill the position subject to confirmation by the Board of Directors.
- B. If less than three (3) persons associated with the same firm currently serving (and will continue to serve in such positions during the ensuing year) either as Officer(s) and/or Director(s) then there are only one or two potential position(s) available to that firm to fill. If more persons from the same firm run for positions either as Officer(s) or Director(s) than there are positions available to that firm and they are successful in obtaining the highest number of votes for the respective positions they ran for then the person(s) from that firm running for the position(s) of Officer receiving the highest number of votes will be eligible to fill the second and/or third position prior to the Director positions being considered. Thus, first preference shall be provided to the person(s), if any, from that firm who was (were) running for the position(s) of an Officer of the corporation. If there is still a position(s) available to the firm then the person(s) running for a position as Director with the highest number of votes as between or among those running from the same firm for position(s) as Director will be given preference and will be seated as a director. Any other candidates associated with that same firm who may have prevailed with the highest number of votes for the position they ran for, but with less votes than the other candidate(s) from the same firm running for a position as a Director will be ineligible to be seated for the position they ran for. In such a situation the candidate from another eligible firm running for that same position with the next highest number of votes will be declared to be the winning party. If there is no other candidate who ran for that same position or who ran but, for any reason, is not willing to assume that position, then the position shall be declared vacant. The vacant position shall be filled expeditiously by the President making a recommendation of an eligible person to fill the position subject to confirmation by the Board of Directors.

If there is any dispute, of any nature, arising out of the election, it shall be presented to the Board of Directors at its next regular meeting or at a special meeting to resolve the dispute. The decision of the Board of Directors shall be final and binding. *Revised 08/27/20*

Policy #38: TAR Support of Candidates to AAR, Regional, ISC and NAR Elective Positions

Any member who intends to run for an elective or appointed position at AAR (including Region 5), NAR (including Region 11) or national level Institutes, Societies and Councils (ISC) affiliated with NAR, and who desires the endorsement or financial support of TAR shall provide a resume,

a campaign plan, a budget if funds are being requested and a description of the position being sought to the CEO and President not less than 30 days prior to the election or appointment deadline. Said budget request shall not exceed \$2500. The request will be considered by the Executive Committee and forwarded to the Board of Directors for approval when the required submittals are deemed complete. *Revised 02/25/20*

Policy #39: 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.

Revised 07/21/16

Policy #40: Non-Discrimination and Anti-Harassment Policy

The Tucson Association of REALTORS® is 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, member, or volunteer that harasses, disrupts, or interferes with another's work performance or that creates an intimidating, offensive, or hostile environment.

- A. Employees and volunteers are expected to maintain a productive work environment that is free from discrimination and harassing or disruptive activity. No form of discrimination or harassment will be tolerated, including but not limited to discrimination or harassment based on: race, color, national origin, ancestry, disability, age, sexual orientation, gender identity, religion, sex, familial status, marital status or military status. Special attention should be paid to the prohibition of any form of sexual harassment.
- B. Supervisors have an obligation and responsibility to keep the workplace free of any form of discrimination sexually or 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 harassing or offensive conduct in the workplace, whether committed by supervisors, managers, non-supervisory employees, or members is also prohibited. Such conduct includes, but is not limited to:
 - 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 appearance, including but not limited to dress, body and expression;
 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, color, national origin, ancestry, disability, age, sexual orientation, gender identity, religion, sex, familial status, marital status or military status. Any person who believes that a supervisor's, manager's, employee's or members actions or words constitute discrimination or unwelcome harassment has a responsibility to report or complain about the situation, in writing, as soon as possible. The report or complaint should be made to the employee's supervisor, to the Chief Executive Officer or to a member of the Executive Committee of the Board of Directors.
- E. All complaints of discrimination or harassment will be promptly investigated in as impartial and confidential a manner as possible, taking all steps necessary to stop and prevent further discrimination and/or harassment. At its sole discretion, the Chief Executive Officer, or the Board of Directors if the Chief Executive Officer is implicated, may appoint a neutral third party investigator to assist in conducting (or to conduct) the investigation. 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.
- F. Retaliation against any employee, member, or volunteer for filing a complaint or participating in an investigation is strictly prohibited.
- G. Any employee or member who is found to have violated this policy will be subject to immediate and appropriate corrective action up to and including termination of employment or membership.
- H. Employees and members must recognize that the Association is unable to fully evaluate, assess, or investigate an anonymous, vague, general complaint or concern, report, or inquiry and shall not be considered. *Adopted 09/26/23*

Revised 09/26/23

Policy #41: Alcoholic Beverages

Alcoholic beverages may only be made available or consumed at the Association facility for special functions which are either Association sponsored events or in conjunction with a facility rental agreement with a third party for a special event. 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. *Revised 08/21/14*

Policy #42: Association Training Rooms

The Chief Executive Officer or designee is authorized to refuse access to any non-member individual groups or entities. *Revised 07/21/16*

Policy #43: 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:

- A. Establishes the scope of Association policies, programs and services
- B. Approves the strategic and business plans
- C. Approves the annual budget and exceptions to the budget
- D. Accepts financial statements
- E. Approves minutes of previous meetings
- F. Approves committee members nominated by the President
- G. Ratifies Executive Committee recommendations presented as a consent agenda. A board member may request special consideration of any item on the consent agenda and, if intending on doing so, is encouraged to provide notice to the President and CEO prior to the start of the meeting.
- H. Employs a Chief Executive Officer to manage the day to day affairs of the Association and who is responsible for staff
- I. Oversees the strategic direction of the organization
- J. Ensures compliance with legal norms and good business practices
- K. Delegates tasks and operational matters to the CEO
- L. Considers and acts on action items referred from committees or staff

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:

- A. Regularly and punctually attend meetings and stay for the entire meeting except when prior approval to leave early has been granted by the President.
- B. Serve on a committee
- C. Offer opinions and exercise reasonable judgment on issues before the Board
- D. 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
- E. Be primarily concerned with the strategic direction of the organization

Revised 09/26/23

Policy #44: Role of the Executive Committee

The Executive Committee consists of:

President

Immediate Past President

President-Elect

Vice President

Treasurer

Chief Executive Officer (secretary and non-voting member)

The Executive Committee provides oversight of the CEO, and provides appropriate recommendations to the Board of Directors. The Executive Committee is also empowered to act within parameters established by the Bylaws, any matters delegated to it by the Board of Directors.

The Executive Committee is authorized by the Board of Directors to:

- A. Approve minutes of their previous meeting
- B. Review and recommend financial statements to the Board of Directors
- C. Prepare the annual Association budget for submission to the Board of Directors
- D. Review and make recommendations to the Board of Directors on committee and task force action items
- E. Act on S.T.A.R. Fund applications
- F. Make recommendations to the Board of Directors on requests made by the CEO
- G. Oversee and report relevant matters to the Board of Directors on operations of the Association
- H. Ensure compliance with legal norms and good business practices
- I. Conduct emergency business, when calling an Urgent Board of Directors meeting is not timely enough to deal with the matter in question
- J. Act on the authorities listed in the Board approved Association Authority Matrix
- K. Conduct a formal in-person "Performance Evaluation" of the Chief Executive Officer prior to the November Executive Committee meeting
- L. Act, within the authority delegated, on the Chief Executive Officer Succession Policy (Policy #58)

The Role of the Executive Committee Member is to:

- A. Regularly and punctually attend meetings and stay for the entire meeting except when prior approval to leave early has been granted by the President.
- B. Offer opinions and exercise reasonable judgment on issues before the committee
- C. Know the financial condition of the Association and be acquainted with the budget process
- D. Be primarily concerned with achieving the strategic and business plans and providing the appropriate amount of oversight for operations
- E. Understand their fiduciary responsibility to the corporation and exercise reasonable prudence in fulfilling that responsibility without regard for personal business interests
- F. 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 #45: Appointment of Chairmen / Vice Chairman

The President (prior to taking office) shall appoint the Chairs of each TAR Committee, Forum and Task Force subject to the approval of the Board of Directors at their first meeting of the year.

The President-Elect (prior to taking office and in consultation with the President) shall appoint the Vice-Chairs of each TAR Committee, Forum and Task Force subject to the approval of the Board of Directors at their first meeting of the year. Vice Chair's may or may not be appointed to the Chair position in the following year. *Adopted 09/15/16*

Policy #46: 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. 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, does not comply with responsibilities listed below, or fails to attend three committee meetings during the appointed year (Bylaws Article XVIII, Section 6).

Role of the Chair

- A. Schedule and effectively preside over meetings
- B. Prepare the agenda in conjunction with the Staff Liaison
- C. Know the scope and purpose of the committee
- D. Know the financial and budgetary parameters of the committee
- E. Develop a strategy for achieving the goals of the business plan
- F. Manage the workload of the committee with due consideration for members' time
- G. Appoint sub-committees and work groups when appropriate
- H. Ensure that committee members have meaningful input and are consulted on all matters facing the committee
- I. Genuinely reflect the will of the committee
- J. Develop future leaders
- K. 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
- L. Provide general guidance and serve as a resource to the key staff member for questions or clarification
- M. 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

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

Revised 09/26/23

Policy #47: 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

- A. Know the committee's purpose and scope and enable communication between the Board of Directors, Executive Committee, committee leadership and senior management
- B. Serve as a resource to chairs on processes for effectively managing meetings and the purpose of the committee
- C. Prepare the meeting site, notify members of meetings, prepare the agenda with the chair and memorialize the meeting
- D. Work with senior management to avoid duplication and create synergy between committees
- E. Know the financial aspects of the committee and be familiar with the budget process
- F. Ensure the committee has clear outcomes and evaluate progress against goals throughout the year with regular reports to the Executive Committee
- G. Work with senior management to avoid conflicts between committees
- H. Provide administrative support for committees and perform administrative duties between meetings
- I. 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 #48: Presidential 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 #49: Legal

All Tucson Association of REALTORS® documents and information contained in hard copy or in electronic storage are the private property of the Association and shall be treated as confidential information. The staff of the Tucson Association of REALTORS® and 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:

- A. The law enforcement agency or court must present a valid subpoena detailing the documents or information requested to the Chief Executive Officer (“CEO”).
- B. 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.

Policy #50: Conflict of Interest

The purpose of the conflict of interest policy is to protect the interests of the Tucson Association of REALTORS® when it is contemplating entering into a transaction or arrangement that might benefit the private interest of the CEO, staff, an officer or director of the Tucson Association of REALTORS® or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations. *Revised 07/21/16*

Definitions:**A. Interested Person**

Any director, principal officer, or member of a committee with Board of Directors delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

B. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family member as defined in Policy #40 and as it relates to an officer and director:

1. An ownership or investment interest in any entity with which the Tucson Association of REALTORS® has a transaction or arrangement,
2. A compensation arrangement with the Tucson Association of REALTORS® or with any entity or individual with which the Tucson Association of REALTORS® has a transaction or arrangement, or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Tucson Association of REALTORS® is negotiating a transaction or arrangement.

Revised 07/21/16

Compensation includes direct and indirect remuneration as well as gifts or favors which exceed twenty dollars (\$20.00) in value. *Revised 07/21/16*

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Procedures:**A. Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors considering the proposed transaction or arrangement.

B. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board of Directors meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board members shall decide if a conflict of interest exists.

C. Procedures for Addressing the Conflict of Interest

1. An interested person may make a presentation at the Board of Directors meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
2. The Board President shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the Board of Directors shall determine whether the Association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Association's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

D. Violations of the Conflicts of Interest Policy

1. If the Board of Directors has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Directors determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Records of Proceedings:

The minutes of the Board of Directors and all committees with board delegated powers shall contain:

- A. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed.
- B. The names of the persons who were present for discussions and votes relating to the

transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Compensation:

- A. A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's compensation.
- B. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's compensation.
- C. No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Association, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Annual Statements:

Each director, principal officer and member of a committee with Board of Directors delegated powers shall annually sign a statement which affirms such person:

- A. Has received a copy of the conflicts of interest policy,
- B. Has read and understands the policy,
- C. Has agreed to comply with the policy, and
- D. Understands the Association is a non-profit corporation and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Revised 07/21/16

Periodic Review:

To ensure the Association operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- A. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- B. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Association's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Use of Outside Experts:

When conducting the periodic reviews as described above, the Association may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

Policy #51: Joint Venture Policy

The Tucson Association of REALTORS® must evaluate its participation in joint venture arrangements under federal tax law and take steps to safeguard the Association's exempt status with respect to such arrangements. It applies to any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity as further defined in this policy.

- A. Joint ventures or similar arrangements with taxable entities. For purposes of this policy, a joint venture or similar arrangement (or a "venture or arrangement") means any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity without regard to: (1) whether the Tucson Association of REALTORS® controls the venture or arrangement; (2) the legal structure of the venture or arrangement; or (3) whether the venture or arrangement is taxed as a partnership or as an association or corporation for federal income tax purposes. A venture or arrangement is disregarded if it meets both of the following conditions:
 - 1. 95% or more of the venture's or arrangement's income for its tax year ending within the Tucson Association of REALTORS®'s tax year is excluded from unrelated business income taxation [including but not limited to: (i) dividends, interest, and annuities; (ii) royalties; (iii) rent from real property and incidental related personal property except to the extent of debt-financing; and (iv) gains or losses from the sale of property]; and
 - 2. The primary purpose of the Tucson Association of REALTORS®'s contribution to, or investment or participation in, the venture or arrangement is the production of income or appreciation of property.
- B. Safeguards to ensure exempt status protection. The Tucson Association of REALTORS® will: (a) negotiate in its transactions and arrangements with other members of the venture or arrangement such terms and safeguards adequate to ensure that the Tucson Association of REALTORS®'s exempt status is protected; and (b) take steps to safeguard the Tucson Association of REALTORS®'s exempt status with respect to the venture or arrangement. Some examples of safeguards include:
 - 1. Control over the venture or arrangement sufficient to ensure that it furthers the exempt purpose of the Tucson Association of REALTORS®;
 - 2. Requirements that the venture or arrangement gives priority to exempt purposes over maximizing profits for the other participants;
 - 3. That the venture or arrangement not engage in activities that would jeopardize the Tucson Association of REALTORS®'s exemption; and
 - 4. That all contracts entered into with the Tucson Association of REALTORS® be on terms that are arm's length or more favorable to the Tucson Association of REALTORS®.

Policy #52: Whistleblower Policy

The Tucson Association of REALTORS® Whistleblower Policy (1) encourages employees and members to come forward with credible information on illegal practices or violations of the Association's adopted Bylaws and/or policies; (2) prohibits retaliation against a reporting party; and (3) identifies where such information should be reported. Encouragement of reporting. This

policy is intended to encourage the internal reporting of complaints or concerns about illegal practices or violations of the Association's Bylaws and/or policies, including illegal or improper conduct by the Association, its Board of Directors, or others authorized to act on the Association's behalf so that the Association can address and correct any illegal or improper conduct or actions. Appropriate subjects to raise under this policy include financial improprieties, accounting or audit irregularities, ethical violations, or other similar illegal or improper practices or policy violations. Complaints or concerns that do not arise to this level or that fall under other Association policies, including, but not limited to alleged discrimination or harassment, should be reported to the Chief Executive Officer, the President of the Association, or the Association's human resources channels, unless those channels are implicated in the alleged wrongdoing. If that is the case the complaint or concern should be reported to the President-elect of the Association, or if also implicated, to the full Board of Directors. This policy is not intended to provide a means to address general grievances or to appeal from outcomes reached in any other Association process or procedure.

- A. Protection from Retaliation. The Association prohibits retaliation by or on behalf of the Association against employees or members for making good faith complaints, reporting concerns or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but later prove to be mistaken. An employee found to have retaliated against someone who reported a violation in good faith is subject to discipline up to and including termination. A member found to have engaged in such retaliatory activity is subject to termination of membership. The Association also reserves the right to discipline and/or take appropriate action against anyone who makes a bad faith, knowingly false, or vexatious complaint, or who otherwise is found to have abused this policy.
- B. Where to report. Complaints, or concerns about suspected ethical or legal violations should be directed to the Association's Chief Executive Officer or President of the Association unless both are implicated in the complaint or concern. If that is the case the complaint or concern should be reported to the President-elect of the Association or the full Board of Directors, unless also implicated, and if so, to the President-elect of the Association. All complaints or concerns should be submitted in writing and describe in detail the specific facts that form the basis of the complaint or concern. All complaints or concerns will be kept confidential, to the fullest extent possible, consistent with the need to conduct a thorough investigation. The Association, or its designee, will conduct a prompt, discreet, and objective assessment or investigation. Employees and members must recognize that the Association is unable to fully evaluate, assess, or investigate an anonymous, vague, or general complaint or concern, report, or inquiry and shall not be considered.

Revised 09/26/23

Policy #53: Records Retention

The Association shall comply with the requirements of applicable law.

Revised 09/26/23

Policy #54: Employee and Member Relations:

The Association shall promote a cordial, pleasant and legally compliant working environment.

Policies, Programs and Services

- A. TAR services are provided equally to all members. No member shall be provided with individualized services or services beyond the scope of services provided to all members. Any request by a member for unapproved staff time, or services outside the scope of an employee's authorization shall be forwarded to the Chief Executive Officer. Any such request must contain detailed information on the unique circumstances which prompted the member to request the extraordinary services. The Chief Executive Officer shall determine if an exception will be made. The Chief Executive Officer may seek input from the President, Executive Committee, or the Board of Directors. In the event the Chief Executive Officer grants any such request, it shall be reported to the Board of Directors at their next meeting.

Committee Support

- A. Association employee's render technical and administrative assistance to their assigned committees and work groups. Association employees answer questions, offer suggestions, raise questions, and when appropriate, conduct research or carry out tasks as assigned by the committee chair and/or Chief Executive Officer.
- B. Association employees are expected to be knowledgeable on TAR policy, committee scope, budget, and approved business and strategic plan.
- C. Association employees are to be knowledgeable on the items, issues and data related to agendaized action items.

Staff and Member Relations

- A. The Chief Executive Officer is responsible to and takes direction from the Board of Directors. Association employees are responsible to and take instruction from the Chief Executive Officer.
- B. Interaction between Association employees and members shall be professional in nature (characterized by mutual respect, courtesy, effort and cooperation).
- C. Any behavior by a member, which interferes with or compromises an Association employee's job performance or satisfaction, is unacceptable. An Association employee, at their discretion, may terminate any conversation which is considered to be offensive. Any such incident shall be reported to the Chief Executive Officer for appropriate action.
- D. Members are not responsible for the performance of an employee.
- E. Members may not discipline, or publicly criticize an employee.
- F. Any unprofessional behavior or unacceptable performance by an employee, which is observed by a member, shall be reported to the Chief Executive Officer for appropriate action.

Revised 09/26/23

Policy #55: Use of Tucson Association of REALTORS® Forms by Members/Licensees –

The Association forms are copyrighted and belong to the Association. It is the policy of the Association to permit Members/Licensees to use the forms without modifying the form

template other than to add the Licensee's name and logo. The Association prohibits modification of the forms in any way without prior written permission by the Association.

Adopted 04/26/12

Policy #56: Chief Executive Officer Succession Policy

Procedures for Succession:

In the event the Chief Executive Officer (CEO) of TAR is no longer willing, or able to serve (i.e., is permanently disabled, resigns or is terminated), the Executive Committee shall:

- A. Perform oversight and guidance to staff on any short-term issues related to staffing, programs, and services for TAR, MLSSAZ, and TRCF prior to the appointment of the Interim CEO.
- B. Appoint an Interim CEO, within 10 business days, who has the following minimum credentials:
 1. A TAR or MLSSAZ senior staff person, or
 2. A person with REALTOR® Association experience, or
 3. A person with association management experience, or
 4. A person who has demonstrable corporate management experience
- C. The appointment shall include an employment contract, terminable at will by the TAR Board of Directors, with the salary and benefits to be negotiated at that time. Said employment contract shall be reviewed by TAR Legal Counsel who may refer to a Human Resources consultant (such as NAR's Human Resources Department) for additional review and input.
- D. Immediately communicate its selection to the Boards of Directors of TAR, MLSSAZ, and TRCF, as well as the Members, Subscribers, Participants, and the TAR and MLSSAZ staff.
- E. Shall form a CEO Search Task Force composed of not less than five (5) members (the TAR Immediate Past President, the Presidents of TAR and MLSSAZ, and the President-Elects of both TAR and MLSSAZ within fifteen (15) business days. Should any of those persons be unable, or unwilling, to serve, the vacancy will be filled by the Task Force from those seated on the TAR or MLS Executive Committee, or, if necessary from those seated on either the TAR or MLSSAZ Boards of Directors. The initial five (5) Task Force members may appoint up to six (6) additional Members to serve (with the resulting total number appointed being an odd number), the appointment of whom shall be subject to the approval of the TAR Board of Directors. The President of TAR shall chair the Task Force.
- F. The Task Force shall implement the following transition plan:
 1. Communicate with Association members, MLSSAZ Participants and Subscribers as well as key Stakeholders (as identified by the previous CEO or staff) regarding the appointment of the Interim CEO, and the formation of the CEO Search Task Force.
 2. Consider the need for consulting assistance (i.e., transition management, executive search consultant, NAR's Human Resources Department etc).
 3. Review the business plans and budgets of TAR, MLSSAZ and TRCF and then conduct a brief assessment of organizational strengths, weaknesses, opportunities and threats to identify priority issues that may need to be addressed during the transition process.
 4. Consider the need to perform a financial audit.

5. Review the employment contract of the previous CEO with Legal Counsel to determine its strengths and weaknesses. Update the contract accordingly for use in the hiring process.
6. Identify key attributes and characteristics which are important to consider in the selection of the next CEO.
7. Establish a time frame and plan for the hiring process.

(Revised 09/26/23)

Policy #57: Role of Non-Voting Liaisons to the Board of Directors

Non-voting liaisons from the following will be appointed by their respective group and approved by the board to a one-year term on the Board of Directors:

- A. CCIM Chapter – One representative
- B. TAR Young Professional Network Committee – One representative
- C. TRCF Board of Director – One representative
- D. WCR – One representative

Non-Voting Liaisons are able to participate in Board discussions and speak to motions and other business that comes before the Board. They will be seated with Board members (as space allows).

Their attendance will be recorded.

Published rosters of the Board of Directors will include Non-Voting Liaisons.

Recognition of the Board of Directors at Association events will include the Non-Voting Liaisons.

These positions shall be excluded from Executive Session. (Revised 09/26/23)

Policy #58: Supporting Tucson Association's REALTORS® (S.T.A.R.) Fund

The purpose of the S.T.A.R. fund is to assist TAR members experiencing financial crises due to a documented calamity that is demonstrably detrimental to their ability to conduct real estate business. "Calamity" shall be defined as: "a disastrous event marked by great loss, lasting distress and suffering". The S.T.A.R. Fund will be funded annually with $\frac{1}{4}$ of 1% of the total income line in the approved TAR Annual Budget. Refer to Policy #15, C. S.T.A.R Fund Reserves.

The Executive Committee and Chief Executive Officer are authorized to act on S.T.A.R. Fund applications which comply with the following requirements:

- A. The applicant is an active Association member (e.g., a REALTOR® or Affiliate) who has held membership for no less than the preceding twelve (12) months.
- B. Funds will be disbursed to vendors only.
- C. Disbursements shall not exceed \$2,500 per member within any 24-month period.
- D. Applications for S.T.A.R Funds will be directed to the Chief Executive Officer who is charged with maintaining the applicant's confidentiality. The Chief Executive Officer shall redact any identifying information being shared with the Executive Committee.
- E. The Chief Executive Officer is authorized to deny any S.T.A.R. Fund application which does not fall within the purpose or the stated requirements of this policy and report any such denials to the Executive Committee.
- F. Upon receipt of a valid S.T.A.R. Fund application, the Executive Committee shall review and act accordingly. The minutes of the Executive Committee shall reflect the action

taken on the S.T.A.R. Fund request and the President shall report the action taken to the Board of Directors at their next meeting.

(Revised 09/26/23)

Policy #59: REALTOR® Legacy Award (RLA)

The Tucson Association of REALTORS® Legacy Award recognizes REALTORS® who best exemplify the Tucson REALTORS® Mission: “Collaborating with innovators, leaders, professionals and communities to strengthen the real estate industry through education, communication, advocacy and service” by demonstrable contributions to the community which have made a significant positive impact on our quality of life; who have demonstrated excellence in leadership; and who are a source of positive influence and inspiration for others.

Elements of the award include:

- A. Awarded to no more than two (2) REALTOR® members in any given “10” year period.
- B. The recipient’s participation in association activities is not the most significant criterion for this honor.
- C. This recognition emphasizes high quality contributions to the ultimate Association customer: the public.
- D. The recipient’s activities outside of the REALTOR® organization are a very important determinant in the consideration of this award (and to be considered, the activities must be exceptional, exemplary and focused on, and beneficial too, the general public).
- E. The recipients qualifying activities are encouraged, but not required, to have occurred during, or simultaneous with, the recipients REALTOR® membership.
- F. The recipient must have been a member of TAR for not less than twenty (20) years.
- G. The recipient shall have a demonstrated commitment to the Association and to the Code of Ethics.
- H. The recipient must be a current member of the Association unless the recipients qualifying activities outside of the REALTOR® organization which are under consideration for this award preclude REALTOR® membership by requirement (i.e., the qualifying activity requires the member to drop their membership) or the qualifying activity causes the recipient to be unable to benefit in any way from said membership (e.g., consecutive active-duty tours in the armed forces, etc.)

To be considered, not less than five TAR members (at least one of which is a past President) shall present a nomination letter to the CEO who shall then certify if the nominee meets the requirements of this policy. Upon certification, the CEO shall forward the nomination to the Legacy Award Task Force (LATF) as appointed by the President.

The nomination letter shall include a description of how the nominee demonstrated outstanding achievement/involvement for this award and, further describe why the nominee merits this special recognition. Further, the letter shall also describe the unique personal and leadership characteristics of the nominee which support the receiving of this award.

The LATF shall be composed of the previous recipients of the award, but not less than three persons. If three previous recipients are not available to serve, then two recipients shall pick a third person who shall serve in that role. If only one previous recipient is available to serve the President of the Association shall appoint a second member and those two members will select the third member. The LATF shall consider the information contained in the nomination letter,

as well as the nominee's credentials, and shall determine whether or not to approve the granting of the RLA to the nominee.

The RLA shall be presented to the award recipient by a member of the LATF at the next regularly formed awards ceremony. The award recipient will be given a suitable plaque which memorializes the award and their name and year will be added to a suitable plaque, mounted in the public space of the TAR facility.

Adopted 3/30/21

Policy #60: REALTOR® Alliance Award (RAA)

The Tucson Association of REALTORS® Alliance Award recognizes those unique and very special individuals and entities which have proven resiliency by withstanding the upheavals of the marketplace and have provided unprecedented, unique, and highly valuable service to our Association, and/or our members, and the general public.

Elements of the award include:

- A. Awarded to no more than one (1) person or entity in any given five (5) year period.
- B. The recipient's participation in association activities is not a requirement for this honor.
- C. Membership in the Association is not a requirement for this honor.
- D. This recognition emphasizes an unprecedented, unique, and highly valuable service to the Association and/or our members combined with a demonstrable benefit to the public. This service, and its benefits, are the sole determinant in the consideration of this award.
- E. The recipient must have provided the unprecedented, unique, and highly valuable service for not less than thirty (30) years.

To be considered, not less than five TAR members (at least one of which is a past President) shall present a nomination letter to the CEO who shall then certify if the nominee meets the requirements of this policy. Upon certification, the CEO shall forward the nomination to the REALTOR® Alliance Award Task Force (AATF) as appointed by the President.

The nomination letter shall include a description of how the nominee provided their unprecedented, unique, and highly valuable service as well as a thorough description of what that service is. Further, the letter shall describe why the nominee merits this special recognition.

The AATF shall be composed of the previous recipients of the award, but not less than three persons. If three previous recipients are not available to serve, then two recipients shall pick a third person who shall serve in that role. If only one previous recipient is available to serve the President of the Association shall appoint a second member and those two members will select the third member. The AATF shall consider the information contained in the nomination letter, as well as the nominee's credentials, and shall determine whether or not to approve the granting of the RAA to the nominee.

The RAA shall be presented to the award recipient by a member of the AATF at the next regularly formed awards ceremony. The award recipient will be given a suitable plaque which memorializes the award and their name and year will be added to a suitable plaque, mounted in the public space of the TAR facility.

Adopted 3/30/21

Policy #61: Attendance of TAR Meetings by Electronic Means

Members and Staff are prohibited from attending any TAR meeting(s) while operating a vehicle. This prohibition include the use of any video based electronic platform (e.g, Zoom, FaceTime, etc.) or audio source (cell phone, etc.) while driving. This prohibition does not apply if the vehicle is parked or if the Member is a passenger in a vehicle being operated by another party (provided the operator is not also an attendee of the same meeting). Members and Staff are required to have the video signal "on" while attending any TAR meeting using any video based electronic platform. *Adopted 09/26/23*

Guidelines

Statement of Investment Objectives and Guidelines

GENERAL INFORMATION

The purpose of this investment guideline is to provide guidance as to the investment of the long-term reserves of the Tucson Association of REALTORS® (TAR).

SCOPE OF THIS INVESTMENT GUIDELINE

This Statement of Investment Guideline reflects the investment guidelines, objectives, and constraints of TAR's long-term un-designated reserves.

DEFINITIONS

1. "Reserve" shall mean the cash or investments held aside by TAR to meet future expected or unexpected demands.
2. "Board of Directors" shall refer to the governing board established to administer the Reserve.
3. "Finance Committee" shall refer to the governing body appointed by the Board of Directors to make investment management recommendations and monitor those recommendations.
4. "Fiduciary" shall mean any individual or group of individuals that exercise discretionary authority or control over Reserve management or any authority or control over management, disposition, or administration of the Reserve's assets.
5. "Investment Management Consultant" shall mean any individual or organization employed to provide discretionary advisory services, including advice on investment objectives and/or asset allocation, investment manager search, and performance monitoring.
6. "Investment Manager" shall mean any individual, or group of individuals, or fund, employed to manage the investments of all or part of the Reserve assets.
7. "Securities" shall refer to the marketable investment securities, which are defined as acceptable in this statement.
8. "Investment Horizon" shall be the time period over which the investment objectives, as set forth in this statement, are expected to be met. The investment horizon for these is perpetual with the existence of TAR. However, for asset allocation purposes, a seven (7) year time horizon will be utilized.

PURPOSE OF THIS INVESTMENT GUIDELINE STATEMENT

This Statement of Investment Guideline is set forth by the Board of Directors of TAR to:

1. Define and assign the responsibilities of all involved parties.
2. Establish a clear understanding for all involved parties of the investment goals and objectives of un-designated Reserve assets.
3. Offer guidance and limitations to all Investment Managers regarding the investment of assets.
4. Establish a basis for evaluating investment results.
5. Manage Reserve assets according to prudent standards.
6. Establish the relevant investment horizon for which the assets will be managed.

In general, the purpose of this statement is to outline a philosophy and attitude, which will guide the investment management of the assets toward the desired results. It is intended to be sufficiently specific to be meaningful, yet flexible enough to be practical.

LONG-TERM INVESTMENT OBJECTIVES (Objectives dependent on organization)

In order to meet its needs, the investment strategy of TAR is to emphasize Total Return; that is, the aggregate return from capital appreciation and dividend and interest income.

Specifically, the primary objective of the Investment Managers, for Reserve assets shall be:

Long-Term Moderate Growth of Capital – To emphasize long-term growth of principal while avoiding excessive risk. Short-term volatility will be tolerated in as much as it is consistent with the volatility of a comparable market index.

Current Income – To maximize the generation of tax free and taxable investment income (interest and dividends) while avoiding excessive risk.

DELEGATION OF AUTHORITY

The Board of Directors of TAR is a fiduciary and is responsible for directing and monitoring the investment management of MLSSAZ's assets, including assets of the Reserve as approved by this guideline. As such, the Board of Directors has delegated the oversight of the guidelines to the Chief Executive Officer (CEO) and has certain responsibilities to be delegated to professional experts in various fields. These include, but are not limited to:

1. Investment Management Consultant. The Investment Management Consultant will assist the Board of Directors in establishing Investment objectives and guidelines; will select Investment Managers; and review such Investment Managers over time; measuring and evaluating investment performance; and replacing investment managers as deemed appropriate.
2. Investment Manager. The Investment Manager has discretion to purchase, sell, or hold the specific securities that will be used to meet the Reserve's investment objectives.
3. Additional specialists such as attorneys and auditors may be employed by the Board of Directors to assist in meeting its responsibilities and obligations to administer Reserve assets prudently.

Finance Committee

The Finance Committee will discharge its duties solely in the interest of the Reserve, with the care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims.

The Finance Committee will not reserve any control over investment decisions, with the exception of specific limitations described in these statements. The Finance Committee is responsible for the oversight of the investment guidelines and has delegated the execution of this policy to TAR's management consisting of the CEO of TAR. The Investment Management Consultants will be held responsible and accountable to achieve the objectives herein stated. While it is not believed that the limitations will hamper Investment Managers, the Investment Management Consultant should request modifications, which they deem appropriate.

All expenses for such experts must be customary and reasonable, and will be borne by the Reserve as deemed appropriate and necessary.

ASSIGNMENT OF RESPONSIBILITY

Responsibility of the Investment Management Consultant(s)

The Investment Management Consultant's role is that of a discretionary advisor to the Board of Directors and Finance Committee of TAR. Investment advice concerning the investment management of Reserve assets will be offered by the Investment Management Consultant, and will be consistent with the investment objectives, guidelines, and constraints as established in this statement. Specific responsibilities of the Investment Management Consultant include:

1. Assisting in the development and periodic review of Investment Guidelines.
2. Conducting Investment Manager searches and present Investment Manager changes based on the parameters in this guideline and performance of Investment Managers in the portfolio.
3. Conduct "due diligence", or research, on the Investment Manager(s) and provide as requested.
4. Monitoring the performance of the Investment Manager(s) to provide the Finance Committee and the Board of Directors with the ability to determine the progress toward the investment objectives.
5. Communicating matters of guidelines, Investment Manager research, and Investment Manager performance to the Finance Committee and the Board of Directors.
6. Reviewing Reserve investment history, historical capital markets performance and the contents of this Investment Guideline to any newly appointed members of the Board of Directors.

Responsibility of the Investment Manager(s)

Each Investment Manager will have full discretion to make all investment decisions for the assets placed under their jurisdiction, while observing and operating within all guidelines, constraints, and philosophies of their mandate for which they were selected. Specific responsibilities of the Investment Manager(s) include:

1. Having full discretion to make all investment decisions for the assets placed under its mandate, while observing and operating within all policies, guidelines, constraints, and philosophies under their mandate or prospectus.
2. Communicating to the Investment Management Consultant any major changes to economic outlook, investment strategy, or any other factors, which affect implementation of their investment process.
3. Informing the Investment Management Consultant regarding any qualitative change to investment management organization: Examples include changes in portfolio management personnel, ownership structure, investment philosophy, etc.
4. Voting proxies, on behalf of TAR.

Selection of Investment Managers

The Investment Management Consultant will have the authority to select the appropriate Investment Manager(s) for each asset class allowed by this investment guideline. The selection of Investment Managers must be based on a prudent due diligence process. Investment Managers being considered will be evaluated on several factors, including but not limited to, the needs of TAR, the pattern of the historical rates of return and the volatility to those returns, styles of management, adherence to style, research capability, staffing, fees, and other factors considered relevant.

Termination of a Manager

The Investment Management Consultant will evaluate quarterly each of the Investment Manager's trailing 12-month performance as well as rolling three and five-year period results.

The Finance Committee and Investment Management Consultant has the authority to terminate an Investment Manager for any reason including the following:

1. The convenience of the Reserve.
2. Unacceptable justification of poor investment results given the discipline employed and the risk parameters established.
3. Failure to adhere to this Statement of Investment Guideline, including communication and reporting requirements.
4. Significant changes to the investment management organization deemed adverse to the interests of the Reserve.

Fees for Professional Services

Fees for professional services must be competitive, customary, and reasonable. All fees will be subject to audit by the Finance Committee. Professional fees will be paid from the assets of TAR.

GENERAL INVESTMENT PRINCIPLES

1. The Reserve shall be invested with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the investment of a Reserve of like character and with like aims.
2. Investment of the Reserve shall be so diversified as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.
3. The Board of Directors may employ one or more Investment Managers of varying styles and philosophies to attain the Reserve's objectives.
4. Cash is to be always employed productively, by investment in short-term cash equivalents to provide safety, liquidity, and return.

SPECIFIC INVESTMENT GOALS

The Finance Committee recognizes that by authorizing spending, TAR's purchasing power *may* be subject to erosion unless the investment strategy implemented can support the current and future levels of spending.

The investment goals above are the objectives of the aggregate Reserve and are not meant to be imposed on each investment account (if more than one account is used). The goal of each Investment Manager, over the investment horizon, is to:

1. Meet or exceed the market index, or blended market index, selected and agreed upon by the Finance Committee and the Investment Manager. The index will most closely correspond to the style of the Investment Manager.
2. Display an overall level of risk in the portfolio, which is no greater than the risk associated with the benchmark specified above. Risk will be measured by the standard deviation of quarterly returns.

Specific investment goals and constraints for each Investment Manager, if any, shall be incorporated as part of this statement of Investment Guideline.

DEFINITION OF RISK

The Board of Directors realizes that there are many ways to define risk. It believes that any person or organization involved in the process of managing the Reserve's assets should understand how it defines risk so that the assets are managed in a manner consistent with

the Reserve's objectives and investment strategy as designed in this statement of Investment Policy. The Board of Directors defines risk as:
The probability of not meeting the Reserve's objectives.

Asset Allocation Guidelines

Investment management of the assets of the Reserve shall be in accordance with the following asset allocation guidelines:

1. Aggregate Reserve Asset Allocation Guidelines (at market value)

<u>Asset Class</u>	<u>Minimum</u>	<u>Maximum</u>
<u>Equities</u>	<u>40%</u>	<u>60%</u>
<u>Fixed Income</u>	<u>40%</u>	<u>60%</u>
<u>Market Neutral</u>	<u>0</u>	<u>0 %</u>
<u>Hedge Equity</u>	<u>0</u>	<u>0 %</u>
<u>Cash and Equivalents</u>	<u>0</u>	<u>15%</u>

2. If the above aggregate asset allocation guidelines are violated, for reasons including but not limited to market price fluctuations, the Investment Management Consultant should bring the portfolio(s) into compliance with these guidelines as promptly and prudently as possible. If any individual Investment Manager's portfolio is in violation with its specific guidelines, for reasons including but not limited to market price fluctuations, the Board of Directors expects that the Investment Management Consultant will instruct the Investment Manager to bring the portfolio into compliance with these guidelines as promptly and prudently as possible without instruction from the Board of Directors.

LIQUIDITY

To minimize the possibility of a loss occasioned by the sale of a security forced by the need to meet a required payment, the Board of Directors will periodically provide the Investment Management Consultant with an estimate of expected net cash flow. The Board of Directors will notify the Investment Management Consultant in a timely manner, to allow sufficient time to build up necessary liquid reserves.

MARKETABILITY OF ASSETS

The Board of Directors requires that all of Reserve's assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Reserve, with minimal impact on market price.

INVESTMENT GUIDELINES

Allowable Assets

1. Cash Equivalents
 - Treasury Bills
 - Money Market Reserves - Stable NAV
 - Commercial Paper
 - Repurchase Agreements
 - Certificates of Deposit
2. Fixed Income Securities
 - U.S. Government and Agency Securities
 - Corporate Notes and Bonds
 - Mortgage-Backed Bonds
 - Preferred Stock

- Fixed Income Securities of Foreign Governments and Corporations
 - Planned Amortization Class Collateralized Mortgage Obligations (PAC CMOs) or other "early tranche" CMOs
3. Equity Securities
 - Common Stocks
 - Convertible Notes and Bonds
 - Convertible Preferred Stocks
 - American Depositary Receipts (ADRs) of Non-U.S. Companies
 - Stocks of Non-U.S. Companies (Ordinary Shares)
 3. Mutual Funds/ETFs
 - Mutual Funds which invest in securities as allowed in this statement.
 - Electronic Traded Funds (ETFs) which invest in securities as allowed in this statement.
 4. Other Assets
 - Alternative Investments to be approved by the Board of Directors

Prohibited Assets

In general, prohibited investments include, but are not limited to the following, unless approved by the Board of Directors:

1. Individual Equity Securities
2. Private Placements
3. Options
4. Limited Partnerships
5. Venture-Capital Investments
6. Real Estate Properties

Prohibited Transactions

In general, prohibited transactions include, but are not limited to the following, unless approved by the Board of Directors:

1. Margin Transactions

Diversification for Investment Managers

The Board of Directors does not believe it is necessary or desirable that securities held in the Reserve represent a cross section of the economy. However, to achieve a prudent level of portfolio diversification, the securities of any one company should not exceed 5% (cost basis) of the total Reserve or 10% (market value) of the total Reserve. No more than 20% of the total Reserve should be invested in any one industry. Individual U.S. Treasury and U.S. Agency securities may represent up to 100% of the Reserve's aggregate bond position.

Guidelines for Fixed Income Allocation

Fixed income Investments and Cash Equivalents

- No less than 80% of the fixed income assets may be invested in investment grade bonds rated BBB/Baa (or equivalent) or better. Up to 20% of the total portfolio may be invested in non-rated bonds or bonds of less than investment grade as well as non-dollar demonstrated securities.
- Reserve assets may be invested only in commercial paper rated A1 (or equivalent) or better.
- Fixed income maturity restrictions are as follows:
 - Average duration of the portfolio should be +/- 2 years to the index.
- Money Market Reserves selected have a stable NAV.

INVESTMENT MANAGER PERFORMANCE REVIEW AND EVALUATION

Performance reports generated by the Investment Management Consultant shall be compiled periodically and communicated to the Finance Committee for review. The investment performance of the total portfolio, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration will be given to the extent to which the investment results are consistent with the investment objectives, goals, and guidelines as set forth in this statement. The Board of Directors intends to evaluate the portfolio(s) over at least rolling three- and five-year periods.

Investment Managers shall be reviewed regularly regarding performance, personnel, strategy, research capabilities, organizational and business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.

INVESTMENT GUIDELINE REVIEW

To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of Investment Guideline, the Finance Committee plans to review Investment Policy at a minimum every three years. This statement of Investment Guideline is adopted on September 26, 2023 by the Board of Directors of TAR.

Target Return: 4.4% - 10 Year Time Horizon - 95% of Projected Return Distribution

Asset Allocations	Model 4
Cash	8.0%
Short Duration Bonds	14.0%
US Core Bonds	14.0%
International Bonds	4.0%
US Inflation Linked Securites	1.0%
High Yield Bonds	1.0%
Emerging Market Bonds	1.0%
Large-Cap	29.0%
Small Cap	9.0%
International Stocks	13.0%
Emerging Markets	6.0%

Expected Return (Annualized)	
One Year	5.3%
Time Horizon	4.9%

Expected Risk	
One Year	10.5%
Time Horizon	3.3%

Best Case Return (Annualized)	
One Year	27.4%
Time Horizon	11.5%

Worst Case Return (Annualized)	
One Year	-13.7%
Time Horizon	-1.5%

Probability of Target Return	
One Year	49.3%
Time Horizon	47.8%

Probability of Negative Return	
One Year	31.8%
Time Horizon	6.7%