

**Raleigh Regional Association of  
REALTORS®**

**Policy Manual**

# POLICY MANUAL

## RALEIGH REGIONAL ASSOCIATION OF REALTORS®

Effective: June 13, 2018

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# RALEIGH REGIONAL ASSOCIATION OF REALTORS® POLICY MANUAL

## **SECTION 1: INTRODUCTION**

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The Raleigh Regional Association of REALTORS® is an association of volunteer members governed by Bylaws adopted in 1924. Qualification for and objectives of membership are found in the Bylaws, as approved by the National Association of REALTORS®. The governing body of the Association is a Board of Directors. The activities of the Association are carried out through committees of volunteer members. The policies found in this manual are in addition to, not a replacement for the Association's Bylaws.

## **SECTION 2: BOARD OF DIRECTORS**

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The Officers and Directors of the Raleigh Regional Association of REALTORS® shall comprise the governing body of the Association of REALTORS®. Specific responsibilities and duties of the Board of Directors are as follows:

### ***2.1 Directors' Responsibilities***

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- Serve as the governing body of the Association and control all the affairs of the Association subject to the restrictions imposed by the Bylaws.
- Select the financial institution(s), by resolution, to deposit all Association monies.
- Employ such Executive Officer to manage the day-to-day operations of the Association.
- Contract with an outside independent accounting firm to be available for consultation per policy 5.4 *Legal Counsel & CPA* and to conduct audits of the Association's books including the annual audit. Said annual audit shall commence no later than the first quarter after the close of the fiscal year. The Directors shall make available to the membership an annual report of the audited income and expenses and balance sheet of the Association no later than the next Annual Meeting of the Association.
- Contract with outside legal counsel to attend monthly meetings and be available for such consults as deemed necessary per policy 5.4 *Legal Counsel & CPA*.
- Review and approve a budget prepared by the Finance Committee reflecting projected income from all sources and projected costs and expenses of the Association for the next fiscal year. The budget shall be submitted to the Directors not less than thirty (30) days prior to the first day of the next fiscal year.
- Report regularly and promptly to the members all actions of the Board of Directors.
- Review and act on committee requests. If financial requests deviate from the approved budget, such requests must first be reviewed by the Finance Committee.
- Approve actions of the Executive Committee carried out in the interim between Directors' meetings.
- Approve and amend such rules, regulations and policies necessary to the operation of the Association.

- Attend all Board meetings. Any Officer or Director of the Board that is absent from three (3) regular monthly Board meetings in one (1) calendar year shall be automatically removed from their position. There shall be no differentiation between "excused" or "unexcused" absences. In extraordinary circumstances, an appeal for reinstatement may be submitted for consideration by the Board of Directors. Any absence from a Board of Directors meeting should be reported to the President and CEO in advance, when possible.
- Serve without compensation.
- Represent the entire membership by:
  - Soliciting member input as much as possible.
  - Placing the welfare of the entire membership ahead of geographical or factional considerations.
  - Expressing their view points and sharing their opinions on issues before the group.
- Be informed and knowledgeable in areas of particular interest, concern and importance to the Association and the real estate industry.
- Volunteer for association committees as Director Liaisons. Committees that do not have a Director will have one (1) appointed. The Pro Standards and Grievance Committees are excluded.
- Provide reasonable access to member guests. It is the policy of the Association to protect the interests of its members and employees in maintaining confidentiality. All guests and staff will be excused when the Board is called into Executive Session at which time matters relating to confidential personnel matters, professional standards hearings, results and appeals, and attorney-client communications, among other possible matters, may be discussed.

## ***2.2 Information / Education***

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Both the national and state associations can provide Directors with many resources for obtaining information. In addition, Association staff can offer assistance in most areas.

Directors are a vital link between the membership and the Association. Directors should bring from the membership specific problems or concerns and should take back information concerning the Association's activities and programs. Member access to meetings or materials is defined under *7.3 Members' Access to Meetings and Materials*.

Directors should be familiar with:

- A. Current bylaws, constitution and policies in the National Association of REALTORS<sup>®</sup>, the North Carolina Association of REALTORS<sup>®</sup> and the current bylaws, policies, procedures and issue positions of the Raleigh Regional Association of REALTORS<sup>®</sup>.
- B. Legislative activity on local, state and national level.
- C. Robert's Rules of Order, latest edition.
- D. Minutes, any other meeting materials and notices of Directors meetings shall be emailed to members of the Board of Directors at least six (6) days prior to the next regular scheduled meeting of the Board of Directors.
- E. Directors should review all materials prior to the meeting.

## ***2.3 Nominating and Certifying Of Directors & Officers***

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### ***Nominations***

The Nominating and Certifying Committee may nominate candidates or any member may nominate him or herself, or another association member (with cooperation) for certification as a candidate. All nominations shall comply with the Candidate Information requirements and require certification by the Nominating and Certifying Committee. No nominations will be accepted after the sixty (60) day deadline. Candidates will be informed of the final slate of candidates at the close of nominations and certification.

### ***Candidate Information***

All candidates wishing to run for an Officer position or a Director position must submit the required completed questionnaire and personal statement no later than sixty (60) days before the first day that voting is to commence.

The personal statement shall be no more than (five hundred) 500 words, and shall not include false allegations or libelous comments regarding other candidates, the REALTOR® Associations, the Board of Directors or other individuals. *The RRAR general counsel shall provide disclaimer language when the personal statements are placed on the RRAR website, however, the RRAR President and/or the Executive Officer or the Executive Committee of RRAR may, in his/her/their discretion, withhold, remove or require the candidate to revise any statement they deem inappropriate or unsuitable for publication such as information that is not factually correct or that unfairly impugns the character of someone.*

A webpage will be created on the RRAR website that shall hold all of the candidate questionnaires, photos and personal statements. Each candidate will receive a copy of the other candidates' questionnaires and personal statements, at least ten (10) days prior to the posting on the website and shall have three (3) days to make any changes and submit them. No less than thirty (30) days prior to the commencement of voting, the candidate information shall be posted on the website. All candidate information received by the deadline shall be posted at the same time.

### ***Campaigning and Communications***

Candidates are permitted to campaign for themselves in person at the Association offices not more than forty (40) days prior to the beginning of the voting period. Candidates may circulate literature or campaign brochures, so long as they do not interfere with the normally scheduled activities of RRAR or its rental clients. Candidates may request an audience at scheduled meetings with approval from the Chair or meeting organizer. Candidates must conduct themselves in a non-obtrusive manner, and may not utilize signs, balloons or other distractions, or post any campaign materials. Candidates are not permitted to distribute flyers or brochures onto vehicles in the parking lot.

The Association shall send out a mass email to the membership announcing the election dates and times, and list hyperlinks to the individual candidate information, which shall be on the RRAR website or a site linked to our website. All names of candidates will be listed in alphabetical order. This email shall be sent not less than thirty (30) days prior to the

commencement of voting. A second email announcement containing the same information shall be sent the last business day prior to the commencement of voting.

### ***Voting Procedures***

The following guidelines apply to all votes taken for the Board of Directors and/or Officers:

- A. Online voting will commence on the first Monday of the first week in October or other day as determined by the Board of Directors and will be available until 5:00 pm on the first Friday of the first week of October. This Friday will be known as Election Day.
- B. In order to be able to vote, members will provide their name and any other secure identifier.
- C. Records will be secured in such a manner as to ensure only one (1) vote per member.
- D. Ballots will be secured by an authorized staff person and the Chair of the Nominating and Certifying Committee.
- E. If an individual should win both an Officers' and Directors' race, they shall automatically decline the position of Director. The next highest vote receiver will assume the declined position.
- F. Total results of the e-balloting and paper votes will be tallied and reported to the President of the Association and emailed to the entire membership as soon as possible.

### ***Term / Firm Limits***

Two (2) or more active members associated with the same firm may be Directors, subject to the limitation that not more than twenty (20) percent of the Board of Directors may be from the same firm. After Board elections, if the maximum number of members per firm is exceeded due to a merger of firms, or to a Director moving from one firm to another, no change in composition of the Board of Directors will be required until the next regularly scheduled election.

## **SECTION 3: OFFICERS**

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### ***3.1 Executive Committee***

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The Executive Committee is composed of all Officers elected by the General Membership, or their successors, and the Immediate Past President of the Association. The Chief Executive Officer shall be a non-voting member of the Executive Committee. The Executive Committee shall meet at the call of the President. The Executive Committee may only make recommendations to the Board of Directors for its consideration and action and may not act on behalf or exercise the authority of the Board of Directors except to transact business of an emergency nature between meetings of the Board of Directors, while reporting such actions at the next Board of Directors meeting for confirmation.

### ***3.2 President / Duties, Responsibilities and Authority***

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The President, as chief elected officer, represents the entire membership and the best interests of the Association; exercises personal leadership in the motivation of other officers, board members, committee members and staff; acts as spokesperson and inspirational leader and takes an important part in monitoring and evaluating organizational

performance and effectiveness. The office of President is one of leadership and personal commitment to the members of our Association.

Within the limits of the bylaws and policies, the President's authority is to accomplish the duties set forth below and to perform such other duties as approved by the Board of Directors:

- A. It is essential that the President be informed and knowledgeable in all areas of Association involvement and in the real estate industry in general.
- B. Represent the Association and acts in its name, subject to its declared policies.
- C. Appoint such committees and designates their chairs as deemed advisable, with the approval of the Board of Directors.
- D. Appoint one (1) Director to the Board of Directors to serve a two (2) year term. Such appointee shall meet the same requirements as elected Directors.
- E. Serve as ex-officio a member of all committees of the Association except the Nominating and Certifying Committee, Professional Standards Committee and Grievance Committee.
- F. Guides the business affairs and strategic vision of the Association with the assistance of the Directors, Executive Committee and staff.
- G. Supports and defends policies and programs adopted by the Board of Directors.
- H. Presides at and attends all meetings of the Board of Directors, Executive Committee and the membership meetings.
- I. President, or their designee, serves as the Association spokesperson and represents the interest and objectives of the Association in dealings with the news media, allied organizations and industries, local, state and federal legislators and the general public.
- J. Ensures that the Board of Directors and Officers are kept fully informed on the conditions and operations of the Association.
- K. Sees that the organizational structure of the Association is reviewed annually.
- L. President, or their designee acts as NAR voting delegate.
- M. Represents the Association in attendance at the NAR Legislative Meetings, and NAR Convention, in addition to the NCR Inaugural, Legislative Meetings, and Convention.
- N. And to perform such other duties as approved by the Board of Directors.

### ***3.3 President-Elect / Duties, Responsibilities & Authority***

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It is the responsibility of the President-Elect to perform the duties of the President in the event of the President's absence or disability. The office of the President-Elect is one of leadership and personal commitment to the members of our Association.

Within the limits of the bylaws and policies, the President-Elect's authority is to accomplish the duties set forth below and to perform such other duties as approved by the Board of Directors:

- A. It is essential that the President-Elect be informed and knowledgeable in all areas of Association involvement and in the real estate industry in general.

- B. Attends as a voting member, all meetings of the Board of Directors, Executive Committee and membership meetings, and presides in the absence of the President.
- C. Serves as ex-officio member of all committees of the Association except Nominating, Professional Standards and Grievance Committees.
- D. Serves as Chairperson of the Strategic Planning Committee.
- E. Serves as Chairperson of RPAC and reports current fundraising status at the regularly scheduled meeting of the Board of Directors.
- F. Appoints the Vice Chair of all committees, with consideration from committee and staff.
- G. Attends the NAR Legislative Meetings, and NAR Convention, in addition to the NCR Inaugural, Legislative Meetings, Convention and Leadership Summit.

### ***3.4 Secretary-Treasurer / Duties, Responsibilities & Authority***

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The Secretary/Treasurer shall oversee the funds and assets of the Association. In the absence of the Secretary/Treasurer, or at the discretion of the Board of Directors, the duties of the office will be assigned to the Chief Executive Officer as required from time to time. The office of the Secretary/Treasurer is one of leadership and personal commitment to the members of our Association.

Within the limits of the Bylaws and policies, the Secretary/Treasurer is responsible and has commensurate authority to accomplish the duties set forth below and to perform such other duties as approved by the Board of Directors:

- A. It is essential the Secretary/Treasurer be informed and knowledgeable in all areas of the Association involvement and in the real estate industry in general. It is particularly important that the Secretary-Treasurer be knowledgeable of Association financial activities.
- B. Serves as chairperson of the Finance Committee, member of the Executive Committee and member of the Board of Directors.
- C. Shall have charge of such books, documents and papers as the Board of Directors may determine and shall have custody of the Corporate Seal.
- D. Is responsible for ensuring that minutes of all the meetings of the Board of Directors and General Membership are properly kept. Keep records, containing the names, alphabetically arranged, of all persons, firms, corporations or partnerships that are Members of the Association, showing their places of business. Such books shall be opened for inspection as prescribed by law.
- E. May sign with the President, President-Elect or Chief Executive Officer, in name and on behalf of the Association, any contracts or agreements authorized by the Board of Directors and when so authorized or ordered by the Board of Directors, may affix the seal of the Association.
- F. Shall perform, in general, all duties incident to the office of Secretary Treasurer, subject to the authority of the Board of Directors and shall perform such other duties as may be assigned by the Board of Directors.
- G. Has responsibility of all funds, property and securities of the Association and all subsidiary corporations, subject to such regulations as may be imposed by the Board of Directors. When necessary or proper, the Secretary/Treasurer may endorse on behalf of the Association, checks, notes and other obligations and

shall deposit same credit to the Association at such bank or banks or depository as the Board of Directors may designate.

- H. On behalf of the Association and in conjunction with the Executive Officer;
  - signs all receipts and vouchers
  - signs checks and bills of exchange
  - signs promissory notes issued by the Association, except in cases where the execution of documents shall be expressly designated by the Board of Directors or the Bylaws to some other officer or agent of the Association.
- I. Makes such payments as may be necessary or proper on behalf of the Association. The Treasurer shall enter regularly on the books of the Association full and accurate account of all monies and obligations received, paid or incurred for, or on account of the Association, and shall exhibit such books at all reasonable times to any Director upon request at the offices of the Association.
- J. Prepares with the Finance Committee and staff, an annual budget to be approved by the Board of Directors and makes recommendations for amendments to the budget when necessary.
- K. Presents financial reports at the regularly scheduled meetings of the Board of Directors.
- L. Requests committees' financial needs in advance of budget preparation.
- M. Attends the NAR Legislative Meetings, and NAR Convention, in addition to the NCR Inaugural, Legislative Meetings, and Convention as budgeted.
- N. The Secretary/Treasurer is strongly encouraged to serve on the Association's Government Affairs and RPAC Committees.

### ***3.5 Past President***

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- A. The Past President will serve on the Executive Committee of the Association.
- B. Attends the NAR Legislative Meetings, and NAR Convention, in addition to the NCR Inaugural, Legislative Meetings, and Convention as budgeted.

## **SECTION 4: COMMITTEES & TASK FORCES**

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### ***4.1 Committees of the Association***

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Committees serve to assist in the effective implementation of Association objectives and specific programs. There shall be an annual opportunity for members to express their interest in serving on particular committees. Member access to meetings or materials is defined under *7.3 Members' Access to Meetings and Materials*.

Any committee member that is absent from three (3) regularly scheduled meetings in one (1) calendar year shall be automatically removed from their position. There shall be no differentiation between "excused" or "unexcused" absences. In extraordinary circumstances, an appeal for reinstatement may be submitted by that individual for consideration by the committee. Quorum for the transaction of business shall be a majority of the committee.

The President, with the approval of the Executive Committee may appoint such Committees and/or Special Committees and designate their Chairpersons and Vice-

Chairpersons as deemed advisable and where not otherwise specified in these policies. The following are standing committees:

*Bylaws, Communications, Diversity, Finance, Government Affairs, Grievance Hall of Fame, Nominating & Certifying, Personnel, Policy Rapid Response, Priorities and Issues, Professional Development, Professional Standards, REALTOR®-of-the-Year, RPAC, Strategic Planning and YPN.*

#### ***4.1.a Bylaws Committee***

***Duties.*** Reviews the RRAR Bylaws and Policies and makes recommendations to the Association Board of Directors.

***Composition.*** The committee shall comprise of the current President, the immediate Past President, and up to five (5) members who shall serve a term of two (2) years. The committee will meet two (2) times per year, or as needed.

#### ***4.1.b Communications & Public Relations Committee***

***Duties.*** Identifies and implements communications with members. Evaluates and monitors effectiveness of public relations initiatives.

***Composition.*** The committee shall comprise of up to fifteen (15) members. No more than two (2) of the members appointed to the committee shall be Affiliate members. Members of the committee shall serve a term of one (1) year.

#### ***4.1.c Diversity Committee***

***Duties.*** Promotes equal opportunity in housing and diversity within the real estate industry. Identifies the concerns and needs of minority members and assists in the development of actions to address those needs and concerns. Serves as ambassadors to minority real estate organizations.

***Composition.*** The Committee shall comprise of Association members and will hold regular meetings. Members of the committee shall serve a term of one (1) year.

#### ***4.1.d Finance Committee***

***Duties.*** Works with the Chief Executive Officer to assist in developing the annual budget and reviewing the financial performance of the association. The committee is responsible for creating, monitoring and recommending revisions to the Association's investment policies and reserve policies. The committee will make recommendations to the full Board of Directors on the financial position of the association. The committee will evaluate needs, consider bids and make recommendations regarding owned real estate.

***Composition.*** The committee shall comprise of the Secretary-Treasurer who will also serve as the Chair, the President-Elect, the immediate Past President, the CPA or a representative from their firm, the CEO and two (2) Presidential Appointees to serve two (2) year staggered terms, with one (1) appointed each year. One (1) appointee shall be currently serving on the Board of Directors and the other may come from either the Board of Directors or the general membership of the Association. After the association elections each fall the new incoming Treasurer will serve as a non-voting member of the committee through the balance of that year.

#### ***4.1.e Government Affairs Committee***

***Duties.*** Invites guest speakers to educate members on issues pertinent to the industry, and responds to and promotes NCR & NAR "Calls to Action". The committee may discuss and propose policy recommendations to the Board of Directors for approval. The committee shall discuss and initiate grant applications pertaining to the

Association's Policy Positions document. The committee is responsible for conducting and attending annual interviews of candidates running for office within the Association's jurisdiction, which includes drafting online and in-person questions for candidates to answer. Following interviews, the committee shall recommend a candidate report to the Board of Directors for approval, and designate "REALTOR® Champions" for the RPAC Committee to determine funding levels. The Chair and Vice Chair for the Government Affairs Committee are expected to attend the NAR REALTORS® Legislative Meetings and Expo unless excused by the President. Travel shall be reimbursed based on the approved budget. The Committee shall meet monthly or as needed.

**Composition.** The Committee shall consist of no more than thirty (30) members. No more than five (5) Committee members may be Affiliate members. Members of the committee shall serve a term of one (1) year.

#### ***4.1.f Grievance Committee***

**Duties.** Acts as a reviewing body for complaints turned into the Association to determine whether to dismiss or send forward to the Professional Standards Committee for a hearing.

**Composition.** The committee shall comprise of no more than thirty (30) REALTOR® members. No member of this committee shall serve simultaneously on either the Professional Standards Committee or on the Association's Board of Directors. Members of the committee shall serve a term of two (2) years.

**Other.** All members of the Grievance committees must attend an approved training session as soon as possible after appointment to the committee and at least every two (2) years thereafter.

#### ***4.1.g Independent Expenditure Committee***

**Duties.** Meets at the discretion of the President. Confidentially identifies potential races for independent expenditures and makes recommendations to the NCR Property Rights Fund Board.

**Composition.** The committee shall be comprised of five members. Up to three (3) shall be appointed by the Executive Committee, with two (2) to be the Government Affairs Directors and the Chief Executive Officer in a non-voting role. Any RRAR member selected to the NCR Property Rights Fund will automatically serve as one (1) of the three (3) Executive Committee appointments. Members of the Committee shall serve a term of one (1) year.

#### ***4.1.h Nominating & Certifying Committee***

**Duties.** Identifies, accepts nominations and vets/certifies one (1) or more candidates to run for each office, except that of President if there is a sitting President-Elect based on the criteria and process described in *2.4 Nominating and Certifying of Directors & Officers*. Verifies that Candidates have served at least one (1) year on the Board of Directors prior to being nominated for an Officer position. Communicates the list of candidates to each member at least thirty (30) days preceding the first day of voting. Administers the election and all other membership votes in accordance with the Bylaws and Policies of the Association. The Chairperson of the Nominating and Certifying ratifies the results of the election with the Executive Officer.

**Composition.** The Committee shall be comprised of the four (4) most immediate Past Presidents and two (2) REALTOR® members who have been appointed by the President. The Past President four (4) years out of office shall serve as Chair. If this

person is not available to responsibility will fall to the next Past President in succession. Members of the Committee shall be ineligible to run for a Director or Officer position. Members of the committee shall serve a term of one (1) year.

#### ***4.1.i Personnel Committee***

***Duties.*** The Personnel Committee is charged with managing all personnel decisions regarding the Chief Executive Officer of RRAR, which includes: Annual performance review, including contract renewal and revisions, disciplinary actions or dismissal and setting salary and benefits for Chief Executive Officer.

In the event a search for a new CEO is needed, the Personnel Committee is responsible for forming a Search Committee. The Search Committee will consist of: all members of the Personnel Committee and a minimum of two (2) additional Past Presidents of RRAR appointed by the Personnel Committee Chair. The Search Committee will select a Chair at its first official meeting. Prior to incurring expenses, the Search Committee must obtain approval from the Board of Directors for all costs associated with the Search Process. The Search Committee will make its recommendation to the Board of Directors for final approval of a new CEO.

***Composition.*** The Personnel Committee will include the current Officers of the Association, the Past President two (2) years removed, and the RRAR representative to the TMLS Board of Directors, with the Past President serving as Chairperson of the Committee. Members of the committee shall serve a term of one (1) year.

#### ***4.1.j Policy Rapid Response Committee***

***Duties.*** If an urgent issue arises relating to private property rights or the real estate industry, the Committee will make recommendations to the Executive Committee to authorize staff or members to engage with elected officials on behalf of the association. Any action taken by the committee will be reviewed by the Government Affairs Committee and Board of Directors for informational purposes. The Committee will meet annually or as needed. Participates in candidate interviews.

***Composition.*** The Committee shall be made up of no more than seven (7) members consisting of Past President who shall serve as Chair, the Government Affairs Chair, the Government Affairs Vice-Chair, current NC REALTORS® Legislative Committee members and up to three (3) Presidential appointments comprised of members serving on the current Government Affairs Committee. Members of the committee shall serve a term of one (1) year.

#### ***4.1.k Priorities and Issues Committee***

***Duties.*** The committee shall meet regularly to discuss topics as outlined in the association strategic priorities. The committee shall discuss any actions necessary to achieve strategic priorities, and may review and recommend associationwide efforts to the board of Directors to see them to completion. Furthermore, the committee may generate at its discretion policy recommendations, grants, reports, studies, or internal recommendations for other committees to consider. Committee members are invited, but are not required, to attend candidate interviews.

***Composition.*** The committee shall be made up of nine (9) appointed by the President and approved by the Executive Committee. During the initial meeting the committee shall elect its Chair and Vice Chair. Thereafter the Vice Chair will be elected from the Committee during the first meeting of the calendar year and shall succeed the Chair the following year. The Chair and Vice Chair shall be required to attend any Association Strategic Planning meetings, to give input and ensure continuity with committee efforts. Members shall serve a three (3) year staggered term with three

(3) members rolling off each year. The committee shall meet bi-monthly or as needed.

#### ***4.1.l Professional Development Committee***

***Duties.*** Works with the staff to recommend and review course offerings and/or suggested matter for professional development and seminars.

***Composition.*** The committee shall be made up of five (5) members appointed by the President serving a one (1) year term with one (1) member being a current RRAR Director to serve as a Board liaison. The committee shall meet as needed.

#### ***4.1.m Professional Standards Committee***

***Duties.*** Responsible as the Judicial Body of the Association. Conducts due process hearings in accordance with Bylaws on alleged violations of the Code of Ethics, and Arbitration, requests according to the Bylaws.

***Composition.*** The committee shall comprise of no more than thirty-five (35) REALTOR® members. No member of this committee shall serve simultaneously on either the Grievance Committee or on the Association's Board of Directors. Members of the committee must serve on the Grievance Committee prior to serving on the Professional Standards Committee. Members of the committee shall serve a term of one (1) year.

***Other.*** All members of the Professional Standards committees must attend an approved training session as soon as possible after appointment to the committee and at least every two (2) years thereafter.

#### ***4.1.n RPAC Committee***

***Duties.*** The committee shall actively support RPAC in compliance with North Carolina political fundraising guidelines. The committee's focus shall be on fundraising dollars and educating members about RPAC. Members shall participate in candidate interviews. Members will evaluate GAC "REALTOR® Champion" recommendations along with candidate score cards and candidate interviews to determine which REALTOR® Champions receive funding with RPAC dollars. REALTOR® Champions and their corresponding RPAC funding are sent to the Board of Directors for review, revision, and approval. The Committee is also responsible for Event Planning, increasing Member Participation through Outreach and Major Investor Recruitment. The Committee will meet monthly or as directed by the Chairperson.

***Composition.*** The Committee will be comprised of no more than sixteen (16) members appointed by the President and approved by the Executive Committee. The Committee will consist of the RRAR President, the RRAR President-Elect, the current NCR RPAC Trustees, and up to twelve (12) appointed members. The Vice-Chair shall be elected from the committee during the January meeting and shall succeed the chair the following year. The Chair shall serve as liaison to the Board of Directors unless they do not serve on the Board in which case the President Elect shall serve as liaison. Members of the committee shall serve a term of one (1) year.

#### ***4.1.o Strategic Planning***

***Duties.*** No later than March 31<sup>st</sup> of each year, the Strategic Planning Committee shall meet to create a strategic plan or suggest revisions to the current strategic plan. The plan shall be presented to the Board of Directors no later than the April Board of Directors meeting. At the discretion of the Executive Committee, one (1) or more facilitators may be employed to assist the committee.

**Composition.** The committee shall be Chaired by the President-Elect. The committee shall be made up of no more than thirty-two (32) members, with a minimum of ten (10) current RRAR Directors and the balance being a diverse cross-section of membership. Members of the committee shall serve a term of one (1) year.

#### ***4.1.p Young Professionals Network***

**Duties.** To be the voice of young professionals who are focused on personal growth, networking, and association involvement with a primary focus on helping other young professionals engage in Association activities.

**Composition.** The committee shall comprise no more than twenty-five (25) members and shall meet a minimum of four (4) times per year. Members of the committee shall serve a term of one (1) year.

### ***Awards Committees and Qualification Criteria***

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#### ***4.1.q Hall of Fame Committee***

The Hall of Fame Award is intended to honor members who have enhanced our profession by their personal and professional conduct. This award allows for recognition of either current or former members of the Association. There shall be no more than three (3) inducted per year.

**Duties.** Identifies and honors up to three (3) REALTOR® members who have contributed consistent, outstanding service to the real estate profession.

**Composition:** One (1) member to be appointed to serve as Chair, two (2) past Hall of Fame Inductees, one (1) current Director and one (1) at large member all appointed by the President. Members of the committee shall serve a term of one (1) year.

#### ***4.1.r REALTOR®-of-the-Year Committee***

The nomination form for REALTOR® of the Year will be made available to the membership on or before October 1<sup>st</sup> of each year. Any member may nominate any other member who meets the qualification by completing the required REALTOR® of the Year Nomination Form and submitting it to the staff liaison no later than October 31<sup>st</sup> each year. No nominations will be accepted after this date.

**Qualifications:** The REALTOR® of the Year must be a current member and is an individual who exemplifies the finest attributes of being a REALTOR®, combining service to the profession and to our community, professional competency, fairness and integrity.

**Duties.** Identifies a REALTOR® member who exemplifies the finest attributes of being a REALTOR®, combining service to the profession and to the community, professional competency, fairness and integrity.

**Composition.** The committee shall comprise of no more than four (4) REALTOR® members consisting of the immediate past award winner, who will serve as Chair, and three (3) Presidential appointees, one (1) of which will be a current member of the Board of Directors. Members of the committee shall serve a term of one (1) year.

#### ***4.1.r President's Award***

**Selection.** This award is selected at the discretion of the current President to recognize a member who exemplifies dedication to RRAR and the real estate industry.

### ***4.2 Chairperson's Responsibilities***

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Committee Chairpersons are responsible to the Board of Directors. It is the responsibility of the Committee Chairperson to see that recommendations, decisions and actions of the Committee are reported to the Board of Directors. Chairpersons are charged with working closely with their Staff Liaison in organizing committee members and implementing the specific goals and objectives of the committee as established annually by the Board of Directors.

Chairperson's responsibilities:

- A. Preside at committee meetings.
- B. Prepare and approve agendas at least one (1) week prior to the committee meeting.
- C. Maintain accurate and precise committee minutes and/or reports to be archived at the association.
- D. Committee budget request for the following year should be submitted no later than August 1st of each year to be reviewed and approved by the Finance Committee for recommendation to the Board of Directors. Any special financial requests outside of the budget shall be submitted to the Finance Committee for review to the Board of Directors.
- E. Responsible for actively involving each committee member to ensure their retention and developing their leadership potential. It is essential that Committee Chairpersons be informed and knowledgeable in areas of the Association that affect their committees.
- F. Should be familiar with current bylaws, policies, procedures and Robert's Rules of Order latest edition.
- G. Make recommendations for future committee membership to the President.

#### ***4.3 Staff Liaisons to Committees***

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Staff liaisons are responsible for assisting committee chairpersons with communications and correspondence, meeting preparation, keeping detailed records of the revenues and expenses for their respective committees.

### **SECTION 5: LEGAL**

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#### ***5.1 Errors and Omission Insurance Coverage***

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The Raleigh Regional Association of REALTORS® is covered by Professional Liability and Errors and Omissions Insurance as prescribed by the National Association of REALTORS®. Coverage is based on compliance by the Association with the policies and recommendations of the NAR. Failure to comply will result in loss of coverage. It shall be the policy of the Board to take required actions to remain in compliance with NAR policies and recommendations.

#### ***5.2 Contracts***

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With consent of the Executive Committee, only the President, Secretary and/or the Chief Executive Officer may sign contracts that are binding upon the Association.

#### ***5.3 Legal Counsel & CPA***

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The Association shall engage the services of Legal Counsel to advise and counsel the Association relative to matters of interest to the Association, which have legal implications. Legal Counsel shall initiate action only after approval of the President or the Chief Executive Officer.

The Association shall engage the services of a CPA to perform annual audit and other matters of financial interest.

The only persons authorized to contact the attorney and/or the CPA, at the expense of the Association, is the elected officers and the Chief Executive Officer or authorized staff.

If an individual member contacts the attorney and/or the CPA, they should be told that the attorney and/or CPA will only spend time on their inquiry if the individual member involved is willing to pay for that time. Furthermore, the attorney and/or CPA may discuss only those matters, which the Board of Directors authorizes them to discuss.

Legal Counsel and the CPA are employed on a fee basis and are to be reviewed annually by the Executive Committee.

#### ***5.4 Anti-Trust Compliance***

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The Raleigh Regional Association of REALTORS® does not fix, control, recommend, suggest or maintain commission rates or fees for services to be rendered by members or any percentage of division of commissions or fees between cooperating members or non-members.

Therefore, there shall be no discussion at any time by the Board of Directors, committees or staff of the Raleigh Regional Association of REALTORS® concerning these matters as described. It is recommended to Association members that no discussion of these matters take place in any group meetings of Association members even when such a meeting is not connected, in any manner, with the Raleigh Regional Association of REALTORS®, Inc.

Antitrust information shall be shared at the first meeting of the Board of Directors, each committee and the councils of the Raleigh Regional Association of REALTORS® annually.

#### ***5.5 Harassment Policy***

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The Raleigh Regional Association of REALTORS® is committed to maintaining a professional environment that is free from discrimination and in which members and staff at all levels can devote their full attention and best efforts to the activities of the Association. The Association does not authorize and will not tolerate any form of harassment on the following factors:

Race, color, religion, sex, handicap, familial status, national origin, sexual orientation, gender identity or any other characteristic that is protected by law.

Examples of "harassment" that are covered by this policy include offensive language, jokes or other physical, verbal, written or pictorial conduct relating to the individual's race, color, religion, sex, handicap, familial status, national origin, sexual orientation, gender identity

or any other characteristic that is protected by law would make a reasonable person experiencing such behavior feel uncomfortable or harassed.

It is impossible to list every type of behavior that can be considered harassment in violation of this policy. In general, any conduct that could create an offensive environment will be considered harassment in violation of this policy. ***This is the case even if the offending party did not mean to be offensive. It is essential that all members and staff be sensitive to the feelings of others.***

### **Reporting Harassment**

Any individual who feels they have been harassed or witnesses harassment has a duty to immediately report the alleged harassment so that it may be investigated and appropriate action taken. This is true whether the alleged harasser is an employee, association member, Officer or Director. The Raleigh Regional Association of REALTORS® cannot resolve matters about which it does not know.

***To report alleged harassment you must contact the current President of the Association. In the case that he or she is the subject of the allegation, you must contact the next highest ranking Officer.*** These individuals have been trained to respond appropriately to reports of harassment.

Once your report has been received, a prompt and thorough investigation will be conducted. At the conclusion of the investigation the reporting individual will be informed of the action taken, if any. All investigation results will be kept as confidential as possible

Any member of the Association may be reprimanded, placed on probation, suspended or expelled for harassment of an association or MLS employee or Association Officer or Director after an investigation in accordance with the policies of the Association. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-elect and/or Chief Executive Officer and one (1) member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the association. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Chief Executive Officer, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint.

***No recourse will be taken against individual reporting legitimate harassment or for cooperating in an investigation.***

### **5.6 Whistleblower Policy**

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A key defense against fraud occurring in any organization is the knowledge of and availability to, a means for employees and others to anonymously report suspected wrongdoing (whistleblowing).

The Raleigh Regional Association of REALTORS®, Inc. and each of its affiliated entities (collectively, "RRAR") require that its Officers, Directors, volunteer committee members

and employees observe high standards of business and personal ethics in the conduct of their duties and responsibilities for RRAR. All of such persons must practice honesty and integrity in fulfilling their responsibilities to RRAR and must comply with all applicable federal and state laws and regulations.

The objectives of this Whistleblower Policy are:

- A. The reporting of Concerns (defined below) regarding questionable accounting or auditing matters by employees, Directors, Officers, committee members and others within RRAR, on a confidential and anonymous basis.
- B. The receipt, retention and treatment of complaints received by RRAR regarding accounting, internal controls, or auditing matters.
- C. The protection of Directors, Officers, committee members and employees reporting concerns from retaliatory actions.

### **Reporting Responsibility**

RRAR encourages complaints, reports or inquiries about illegal practices or serious violations of RRAR's policies, including illegal or improper conduct by RRAR itself, by its leadership, or by others on its behalf (hereinafter individually or collectively referred to as "Concerns"). Concerns to raised under this Policy would include financial improprieties, accounting or audit matters, misuse of RRAR's resources, ethical violations or other illegal or improper practices or policies. Other subjects on which RRAR has existing complaint mechanisms should be addressed under those mechanisms, such as raising matters of alleged discrimination or harassment via RRAR's human resource channels, unless those channels are themselves implicated in the wrongdoing. This Policy is not intended to provide an alternative to or a means of appeal from outcomes in those other mechanisms.

### **No Retaliation**

This Whistleblower Policy is intended to encourage and enable Officers, Directors, committee members and employees of RRAR to raise Concerns within RRAR for investigation and appropriate action. With this goal in mind, no Director, Officer, committee member or employee who, in good faith, reports a Concern shall be subject to retaliation or, in the case of an employee, adverse employment consequences as a result of such report or cooperating with the investigation of such report. Moreover, a Director, Officer, committee member, employee or other within RRAR who retaliates against someone who has reported a Concern in good faith is subject to discipline up to and including dismissal from the volunteer position or termination of employment.

### **Reporting by Employees**

RRAR has an open door policy and suggests that employees share their questions, concerns, suggestions and complaints with someone who can address them properly. In most cases an employee's immediate supervisor is the best person to address the concern. If, after speaking with his or her supervisor, the employee continues to have reasonable grounds to believe the Concern is valid but has not been satisfactorily addressed by his or her supervisor, the employee should report the Concern to the Chief Executive Officer (CEO) of RRAR. In addition, if the employee is uncomfortable speaking with his or her supervisor, or the supervisor is a subject of the Concern, the employee should report his or her Concern directly to the CEO of RRAR.

If the Concern was reported verbally to the CEO, the reporting individual, with assistance from the CEO, shall put the Concern in writing. The CEO is required to promptly report

the Concern to RRAR's Retained Legal Counsel (see below) who has specific responsibility and direct orders to investigate all Concerns. If the CEO, for any reason, does not promptly forward the Concern to Retained Legal Counsel, the reporting individual should directly report the Concern to Retained Legal Counsel.

Contact information for Retained Legal Counsel is as follows:

Reed Fountain  
Young, Moore Henderson  
P. O. Box 31627  
Raleigh, NC 27622  
rnf@ymh.com

Concerns may also be submitted anonymously. Such anonymous Concerns should be in writing and should be sent directly to Retained Legal Counsel.

**Reporting by Directors, Officers and Committee Members**

Directors, Officers and other committee members should submit Concerns in writing directly to Retained Legal Counsel.

**Handling of Reported Violations**

Retained Legal Counsel shall promptly address all reported Concerns and shall immediately notify the Chief Executive Officer of RRAR and the Executive Committee of any such report. Retained Legal Counsel will notify the sender and acknowledge receipt of the Concern within five (5) business days, if possible. It will not be possible to acknowledge receipt of anonymously submitted Concerns. Retained Legal Counsel shall be responsible for conducting a prompt, discreet and objective review or investigation of the Concern(s) and recommending appropriate corrective action to the CEO and the Executive Committee of RRAR, if warranted by the investigation. In addition, action taken will include a conclusion and/or follow-up with the complainant for complete closure of the matter.

Retained Legal Counsel has the authority to retain other legal counsel, accountants, private investigators or any other resource deemed necessary to conduct a full and complete investigation of the Concern(s).

**Acting in Good Faith**

Anyone reporting a Concern must act in good faith and have reasonable grounds for believing the information reported indicates an improper accounting or auditing practice, or other violation as described above. The act of making allegations that prove to be unsubstantiated and that prove to have been made maliciously, recklessly or with the foreknowledge that the allegations are false or may not be correct, will be viewed as a serious disciplinary offense and result in discipline, up to and including dismissal from the volunteer position or termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.

**Confidentiality**

Reports of Concerns, and investigations pertaining thereto, shall be kept confidential to the extent possible, consistent with the overriding need to conduct a thorough investigation. Disclosure of reports of Concerns to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, up to and including dismissal from the volunteer position or termination of employment. Such conduct may also give rise to further actions, including civil lawsuits.

## ***5.7 Record Retention Policy***

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<b><u>RECORD</u></b>	<b><u>RETENTION PERIOD</u></b>
Accident Reports and Claims (settled cases)	10 years
Audit Reports	Permanently
Bank Reconciliations	1 year
Capital Stock and Bond Records (ledgers, transfer register, stubs showing, issues, record of interest coupons, options, and so forth)	Permanently
Cash Receipt Records	3 years
Charts of Accounts	Permanently
Checks (Canceled; See Exceptions Below)	3 years
Checks (Canceled for Important Payments) (such as: taxes, purchases of property, special contracts and so forth. Checks should be filed with the papers pertaining to the underlying transaction)	Permanently
Compliance Rules/Regs (TMLs)	1 year
Continuing Education Documents	2 years
Contracts and Leases (Expired)	7 years
Contracts and Leases Still In Effect	Permanently
Corporate Documents (including Bylaws, Charter and Governing Documents)	Permanently
Correspondence (General)	3 years
Correspondence (Legal and Important Matters)	Permanently
Deeds, Mortgages and Bills of Sale	Permanently
Deposit Slips	1 year
Depreciation Schedules	Permanently
Employee Personnel Records	4 years
Employment Applications	4 years
Financial Statements (End-of-Year)	Permanently
General and Private Ledgers (and end- of-year trial balance)	Permanently
Grievance/Professional Standards Documents (Minimally, all professional standards records should be retained until the appeal or procedural review period has expired. Ethics proceedings will be retained permanently in the respondent's membership file)	21 days
Insurance Policies (Expired)	3 years
Insurance Policies (Current) (accident reports, claims, policies and so forth)	Permanently
Inventories: Products, Materials & Supplies	3 years
Invoices From Vendors	3 years
Membership Records	Active only
Minute Book Of Director (Including stockholders, bylaws and charter)	Permanently
NAR/NCR Payment Records	2 Years
Occupational Inquiry and Illness Records	5 Years
Payroll Records and Summaries (Including payments to pensioners)	4 Years

Petty Cash Vouchers	3 Years
Postage Records	1 Year
Property Records (Including costs, depreciation reserves, end-of-year trial balances, blueprints and plans)	Permanently
Publications (REALTOR® Review)	Permanently
Purchase Orders	3 Years
Reorganization Records	Permanently
Rosters	Permanently
Sales Records	3 Years
Tax Returns and Worksheets	Permanently
Termination Records	Permanently

### **5.8 Leadership/Conflict of Interest Policy**

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Service as a leader for the Raleigh Regional REALTOR® Association (RRAR) gives rise to certain legal obligations to the Association. One obligation is the fiduciary duty owed to RRAR by the leader. It requires the exercise of reasonable care in performing duties to RRAR exhibiting honesty and good faith and encompasses the responsibilities of both care and loyalty. The duty of loyalty requires RRAR leaders to avoid conflicts of interest and look out for RRAR’s best interests, not their own.

A conflict of interest may exist when one participates in the decision-making process on an issue for RRAR while concurrently having other business, professional or personal interests that could tend one toward bias or predisposition on the issue. The fiduciary duty of a leader also requires a leader to avoid the appropriation of programs and activities, particularly business prospects that properly belong to RRAR. RRAR’s leaders must also maintain the confidentiality of RRAR information.

Even where the RRAR leader might be appointed or elected regionally or by virtue of the RRAR leader’s professional position within a particular organization or practice area, **the obligations of the RRAR leader are to RRAR as an organization, not to the RRAR leader’s constituency.** The following policies apply to all RRAR leaders, including but not limited to Officers, Directors, and members of all RRAR decision-making bodies, such as the Board of Directors or Executive Committee.

#### **Conflict Of Interest Policy**

According to *Black’s Law Dictionary*, a conflict of interest is defined as, “A term used in connection with public officials and fiduciaries and their relationship to matters of private interest or gain to them.” Any RRAR leader will be considered to have a conflict of interest whenever that leader:

- A. Is a principal, partner, officer, director, member, manager or greater than one percent (1%) owner of a business providing products or services to or competing with RRAR;
- B. Is a principal, partner, officer, director, member, manager or greater than one percent (1%) owner of a business being considered as a provider of products or services to or competing with RRAR; or

- C. Holds any unique and substantial interest in a business, financial or otherwise, such as a familial, personal, employer-employee, contractor-contracted, shareholder or governance relationship with the business.

Any RRAR leader with a potential conflict of interest must immediately disclose their interest at the outset of any discussions by a decision-making body pertaining to the potential conflict.

Such RRAR leaders shall be excused from such discussion unless otherwise requested by the board of directors and shall respond to any questions asked of them. Furthermore, no RRAR leader with a conflict of interest may vote on any matter in which the RRAR leader has a conflict of interest, including votes to block or alter the actions of the decision-making body in order to benefit the business in which they have an interest. Minutes of appropriate meetings shall reflect that such disclosure was made, and that the leader excused himself or herself from the discussion of the pros and cons and vote on the matter.

#### **Financial/Ownership Disclosure Policy**

- A. If the RRAR leader has personal knowledge that RRAR is considering doing business with an entity in which the RRAR leader has any financial or ownership interest, then such leader must disclose the existence of his or her financial or ownership interest.
- B. If the RRAR leader has a financial or ownership interest in an entity that the RRAR leader knows is offering competing products and services as those offered by RRAR, then such RRAR leader must disclose the existence of his or her financial or ownership interest.

RRAR leaders with a financial or ownership interest must disclose their interest at the outset of any discussions by a decision-making body pertaining to the Business or any of its products or services. The RRAR leader shall be excused from such discussion unless otherwise requested by the board of directors and shall respond to any questions asked of him or her. Furthermore, no RRAR leader with a financial or ownership interest, including votes to block or alter the actions of the decision-making body in order to benefit the Business in which he or she has an interest. Minutes of appropriate meetings shall reflect that such disclosure was made, and that the leader excused himself or herself from the discussion of the pros and cons and vote on the matter.

#### **Corporate Opportunities Policy**

Any RRAR leader who learns of a business opening, investment, project, or program through his or her service to RRAR may not pursue that opportunity outside of RRAR without first offering it to RRAR. Only if RRAR decides not to proceed (i.e., abandons the corporate opportunity) may he or she proceed independently of RRAR. NOTE: No RRAR leader is prohibited from engaging in conduct in the same general line of commerce as RRAR, but he or she must conduct his or her own activities in good faith and without injury to RRAR. For example, assume that part of your service on a committee entails development of an educational course to be delivered to RRAR members. It would be a violation of this policy to take the work of the committee and use it to create an educational course for your personal financial gain.

### **Confidential Information Policy**

Any RRAR leader must (a) maintain in confidence and not disclose or cause to be disclosed to anyone, other than RRAR, any information designated as confidential at RRAR's sole discretion; prior to or during deliberation by RRAR; (b) keep any materials containing confidential information in a safe and secure place to protect against inadvertent disclosure; and (c) preserve confidential information indefinitely, even after expiration of the leader's service. Upon expiration of the leader's service, the leader must promptly return to RRAR staff, upon request, any materials containing confidential information sent to or acquired by the leader relating to the leader's work for RRAR. For example, assume that the executive committee, during its search for a CEO, designates the deliberations as "confidential" to preserve the integrity of the search. It would be a violation of this policy for members of the committee to disclose such deliberations to anyone outside the committee except as may be required to conduct the committee's business or as required by law.

### **Service Statement**

Any person serving RRAR in an elected or appointed position must sign a service statement in a form designated by RRAR prior to serving.

## **SECTION 6: FINANCE**

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### **6.1 Authorized Signatures**

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The Secretary/Treasurer, President, Chief Executive Officer and an additional staff member shall have authorization to sign checks and financial documents for the Association.

Signature authorization cards and resolutions will be filed annually by staff with all banks and savings institutions in which the Association maintains accounts.

### **6.2 Financial Information Disclosure to Members**

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Member access to financial information of the Association is defined under *7.3 Members' Access to Meetings and Materials*.

### **6.3 Annual Operating Budget (Amended 8/2013)**

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The Secretary/Treasurer shall prepare the Annual Operating Budget of the Association with the assistance of the Chief Executive Officer and Finance Committee. The Annual Operating Budget shall be a zero based budget. The Secretary/Treasurer shall present the annual budget to the Board of Directors in the October/November meeting. Approval of said budget shall occur no later than the December Board of Directors meeting as required in the bylaws.

No expenditure in excess of \$25,000 annually which would exceed the approved budget can be made without a review by the Secretary/Treasurer and approval of the Executive Committee.

When planning the annual budget, the Secretary/Treasurer shall evaluate and take into consideration any economic factors which may affect the income from membership dues.

The budget should align with the current strategic plan, specific goals or programs projected for implementation during the coming year and evaluation of existing programs and services of the Association.

#### ***6.4 Financial Reserve Policy***

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- A. The General Operating Reserve Fund of the Association is to be an amount not to exceed seventy-five percent (75%) of the Association's annual Operating Expenses averaged using the previous two (2) years for which annual operational expenses have been audited or \$750,000 whichever is greater. Funds in excess of the established General Operating Reserves and other dedicated reserves will be expended at the recommendation of the Finance Committee and by approval of the Board of Directors for the reduction of long-term debt, to offset a deficit budget or for the betterment of the Association and its members through providing for the operations and initiatives of the Association.
- B. In addition to the General Operating Reserve Fund, the following reserve funds may be funded exceeding the requirements set forth in section A above as recommended by the Finance Committee and approved by the Board of Directors:
  - i. Capital Assets Fund not to exceed \$200,000 – these reserves will be expended for the acquisition of capital assets or asset improvements and will be expended at the recommendation of the Finance Committee and by approval of the Board of Directors.
  - ii. Legal Action Fund not to exceed \$100,000 – these reserves will be expended to defray costs associated with legal action involving the Association or one of the Association members in matters of legal precedence related to private property rights and/or the practice of real estate and will be expended by approval of the Board of Directors.
  - iii. Ray Larcher Opportunity Fund not to exceed \$50,000 – these reserves will be expended in order to allow the Raleigh Regional Association of REALTORS® to capitalize on opportunities presented to it and will be expended by approval of the Executive Committee.

Note:

General Operating Reserves shall be calculated as of December 31 as: Total Cash and Certificates of Deposits – (Total Current Liabilities - Prepaid Dues)

Operating Expenses shall be calculated for the period ending December 31 as: Total Expenses – State and National Dues Expense.

#### ***6.5 Capitalization***

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This policy establishes the minimum cost (capitalization amount) that shall be used to determine the capital assets that are to be recorded in Raleigh Regional Association of REALTORS®' annual financial statements.

A Capital Asset is defined as a unit of property that: (1) has an economic useful life that extends beyond 12 months; and (2) was acquired or produced for a cost of \$1,000 or more and will be the threshold for minimum capitalization. Any items costing below this amount should be expenses in Raleigh Regional Association of REALTORS®' financial statements.

All Capital Assets are recorded at historical cost as of the date acquired. Tangible assets costing below the threshold amount are recorded as an expense for Raleigh Regional Association of REALTORS®' annual financial statements. Assets with an economic useful life of 12 months or less are required to be expensed for financial statement purposes, regardless of the acquisition or production cost.

Invoices substantiating an acquisition cost of each unit of property shall be retained for a minimum of 4 years.

### ***6.6 Unpaid Bills***

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Any firm and/or member that does not pay on time, or provide sufficient funds after a second offense, will be put on a cash only or credit card basis for 12 (twelve) months and, if applicable, a late fee will be assessed.

Any firm and/or member who is behind in any financial obligation to the Association may only purchase items or services from the Association by cash or credit card.

### ***6.7 Petty Cash***

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The Association shall maintain a petty cash fund in an amount necessary for minor miscellaneous expenses of the Association. The Chief Executive Officer or Secretary/Treasurer shall authorize disbursements from petty cash.

### ***6.8 Dues Refunds***

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No refund of the dues paid to the Raleigh Regional Association of REALTORS® shall be made except for overpayment. In the case of a hardship, special consideration could be given of only the local dues only at the discretion of the Executive Committee.

### ***6.9 Annual Audit***

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An annual audit of the Association's bookkeeping, accounts and financial records shall be conducted by a Certified Public Accountant after the close of the fiscal year, or upon approval of the Board of Directors at such other times as may be required. The results of the Audit shall be presented to the Board of Directors and the membership as required by the bylaws.

### ***6.10 Contributions***

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Contributions by the Board of REALTORS® to various causes, organizations or individuals shall not be taken from the Board's financial reserves. The current operating income in any fiscal year shall be the only source for such contributions, unless a fund-raising drive is conducted for a stated purpose.

There shall be a limit to the total amount of Board contributions each year, not to exceed two and a half percent (2.5%) of the Board's budgeted revenues. The general purpose for all contributions shall be related to the real estate industry in some manner.

## ***6.11 Travel Reimbursement***

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Any reasonable expenses related to travel on behalf of RRAR shall be reimbursed based on the approved budget. If there is a question about an expense, the Executive Committee will determine reimbursement. All travel reimbursement requests shall be submitted within forty-five (45) days after the end of the event.

### ***6.11a Officer Travel Reimbursement***

RRAR Officers are expected to attend the NCR Inaugural, Legislative and Convention meetings in addition to the NAR REALTORS® Legislative, Meetings and Expo and Conference and Expo.

### ***6.11b NCR Director Travel Reimbursement***

NCR Directors are expected to attend the NCR Inaugural, Legislative and Convention meetings. Travel shall be reimbursed based on the approved budget. To be eligible for reimbursement of reasonable expenses following the meeting, NCR Directors must attend the Regional Caucus and the Board of Directors Meetings. Directors may be excused from attending the Regional Caucus if they serve on an NCR Committee or Task Force that has a conflicting meeting time.

### ***6.11c NAR Director Travel Reimbursement***

NAR Directors are expected to attend the NAR REALTORS® Legislative Meetings and Expo and the Conference and Expo. Travel shall be reimbursed based on the approved budget. To be eligible for reimbursement of reasonable expenses following the meeting, NAR Directors must attend the Region Caucus and the Board of Directors meeting.

### ***6.11d Additional Travel Reimbursement***

If not eligible for reimbursement by NAR or NCR the following members may be reimbursed for travel on behalf of the Association.

A. The Chair and the Vice Chair of the Government Affairs Committee shall be reimbursed for reasonable expenses for attendance at the NAR Legislative Meetings and Expo based on the approved budget.

B. The Chair and the Vice Chair of the Young Professional Network Committee shall be reimbursed for reasonable expenses for attendance at the NAR YPN Leadership Retreat based on the approved budget.

## **SECTION 7: MEMBERSHIP**

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### ***7.1 Dues / Assessments / Fees***

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Where Designated REALTORS® have paid non-member dues for a salesperson, there is no refund when said salesperson joins the Board.

If dues are not paid by January 15th, membership will be terminated. Membership may be reinstated if a reinstatement fee of \$35.00 is paid by February 16th. After that, the entire admissions process would be necessary.

## ***7.2 Reciprocity Agreement with the Durham & Triangle Commercial Associations***

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If an active member of the Durham or TCAR Association of REALTORS® changes association affiliation to the Raleigh Regional Association of REALTORS®, the application fee will be waived and no orientation will be required. A pro rata share of the local dues remitted to the Raleigh Regional Association of REALTORS® will be required to offset any costs involved for the remainder of the year for member services.

If an active member of the Raleigh Regional Association of REALTORS® changes association affiliation to the Durham or TCAR Association of REALTORS®, the application fee will be waived and no orientation will be required. A pro rata share of the local dues remitted to the Durham or TCAR Association of REALTORS® will be required to offset any costs involved for the remainder of the year for member services.

## ***7.3 Members' Access to Meetings & Materials***

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- A. It is the policy of the Raleigh Regional Association of REALTORS® to welcome the attendance of members to the Association's Board of Director's meetings. The Association reserves the right, to protect the interests of its members and employees in maintaining confidentiality. All guests will be excused when the Board is called into Executive Session as defined in Section, *2.1 Directors Responsibilities*.
- B. Provide reasonable access to member guests. It is the policy of the Association to protect the interests of its members and employees in maintaining confidentiality. All guests and staff will be excused when the Board is called into Executive Session at which time matters relating to confidential personnel matters, professional standards hearings, results and appeals, and attorney-client communications, among other possible matters, may be discussed.  
Minutes of the Board of Directors Meetings shall be available to Members of the Association for review at the Association Office upon prior request. Minutes of the Board of Directors are available to all members except those actions pertaining to Association staff. For that exception, review shall be authorized with the permission and at a time scheduled by the Secretary/Treasurer or the President at the Association headquarters.
- C. All committee meetings are open to the general membership to attend as guest observers with the exception of Executive Committee, Grievance Committee and Professional Standards. If a committee should need to go into executive session, guests will be asked to step out of the meeting until the executive session has ended and the regular meeting has resumed.
- D. At the request of a member, and under the supervision of the CEO, the Association will make available for inspection all books and records of the corporation's accounts and all minutes of the proceedings of its members, Board of Directors and committees. If requested, a copy of the most recent 990 filing will be provided. This statement of policy shall not constitute a waiver of the Board's right, at its discretion, to maintain as privileged, any other documents in its files which it is not required by law to disclose. For any member examining the Board's books and records, the Chief Executive Officer may request that the member submit any questions they have in writing to the Board.

#### ***7.4 Life Members***

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The requirements of Life Membership as defined in the RRAR Bylaws shall be communicated to association members on an annual basis.

This required communication will be effective January 1, 2016. All current Life Members will be grandfathered along with all members that have qualified and applied for Life Membership by August 31, 2015..

Membership fees for this class of membership are one-half of the local association membership fees, as determined by the Board of Directors.

#### ***7.5 REALTOR® Emeritus***

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REALTOR® Emeritus status is granted by the National Association of REALTORS® to members who have had forty (40) years of continuous membership and their national dues are waived. When members receive this designation from the National Association of REALTORS® their dues will also be waived at Raleigh Regional Association of REALTORS®.

#### ***7.6 Past Presidents of the Association***

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Past Presidents of the Raleigh Regional Association of REALTORS® may attend up to 2 (two) regularly scheduled RRAR continuing education courses per year subject to availability at no cost. Past Presidents and one (1) guest of their choice may attend the Inaugural Gala and the Holiday Party with no registration fee.

#### ***7.7 Reapplication for Membership***

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Any person wishing to reapply for membership shall be subject to the NAR Dues Formula as addressed in the bylaws.

Any person reapplying for membership also must take the New Member Orientation Course if it has been more than two (2) years since last taken. If New Member Orientation has been taken at a different North Carolina Association shall be recognized if taken within the last two (2) years.

#### ***7.8 Military Service***

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Upon request by member or firm, local association dues will be waived for any member serving on “active duty” in any branch of the military. Appropriate requests will be made by the Executive Officer to the North Carolina Association of REALTORS® and the National Association of REALTORS® for respective dues waivers.

#### ***7.9 Hardship Considerations***

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Upon request by a member or firm, members who experience extreme hardships which can be documented, may request a waiver of the local portion of their dues to be considered by the Executive Committee.

## ***7.10 REALTOR® Affiliate Program (RAP)***

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- REALTOR® Affiliate Program (RAP)
  - RAP members are permitted to serve on committees or Councils as defined in the individual committee or Council makeups
  - Cannot be a Chair or Vice Chair of a committee
  - Are permitted to take classes at the same fee structure as REALTOR® members
  - They can be event sponsors and place advertising within the association at discounted rates according to policy guidelines.
  - Membership as a RAP Member:
    - No REALTOR® members may participate in RAP except:
      - New Home Sales Associates who are permitted to only promote their new home subdivisions
      - Property Managers
  - Please refer to policy *13.1 Association's Advertising/Sponsorship* regarding RAP sponsorship guidelines.

## **SECTION 8: COMMUNICATIONS, PUBLICATIONS & WEBSITE**

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### ***8.1 REALTOR® Review***

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Any Raleigh Regional Association of REALTORS® publication that contain paid advertising shall adhere to the policy *13.1 Association's Advertising/Sponsorship*. The Director of Communications shall have the responsibility for proof reading and editing all articles before publication. The Executive Officer shall have the authority to accept or reject articles submitted for publication in the newsletter.

## **SECTION 9: GOVERNMENT AFFAIRS**

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### ***9.1 Candidate Interview Policy***

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The RRAR Board of Directors, Government Affairs Committee (GAC), Policy Rapid Response Committee and RPAC Committee are expected to participate in candidate interviews. Priorities and Issues Committee, TRLA participants and GAC regular attendees are invited to attend as guest observers.

- A. Any member who participates in the interview process must sign a disclosure statement to acknowledge any personal political involvement, opinions or agendas.
- B. A session leader will be appointed for each interviewing session.
- C. A prepared statement will be read by the session leader prior to any candidate entering the room. The statement shall reflect that RRAR has zero tolerance for interviewers who pose personal questions or statements to candidates that are NOT pertinent to the real estate industry issues as defined by the Government Affairs Committee.
- D. A GAC regular attendee is defined as any RRAR member who attends at least half of all GAC in a calendar year meeting prior to the start of candidate interviews for the election cycle.

## ***9.2 Candidate Funding Policy***

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In each individual race, REALTORS® PAC does not contribute to more than one candidate in a single election cycle, except that in a situation where the REALTORS® PAC supported candidate loses his or her bid for that seat, a contribution may be made to another candidate in that race. In races where more than one seat is open for the positions available, REALTORS® PAC donations may be made for more than one candidate in the race up to the number of open positions. For example, if there are three seats open in the race for city council and five people are running, up to three may be funded in this race.

### **SECTION 10: COUNCILS OF RRAR**

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Councils may be formed with the approval of the Board of Directors to serve the needs of the Association.

The Raleigh Regional Association of REALTORS® must approve the Councils' new or amended:

- Name
- Mission/Vision Statement
- Membership Criteria
- Policies

The Raleigh Regional Association of REALTORS® will provide the Councils:

- Meeting Space for their monthly/quarterly meetings to be scheduled and with the approval of the Association's Staff Liaison. Consideration of the Association's rental operations take priority for non-regularly scheduled meetings.
- Funding, as budgeted during the initial start-up phase is available upon request, however not to last more than two (2) years.
- Basic information about the Council, its criteria and upcoming meeting schedule as provided by the Council will be provided on the association's web site.
- Staff resources provided will be limited solely to events at RRAR, which include:
  - Reserving meeting facilities at RRAR
  - Council meeting notifications and RSVPs tally
  - Coordinating meal functions
  - Income/expenses and Statement of Activities if processed through RRAR accounts provided upon request
  - Assisting with meeting set up
  - Assisting with agenda preparation and copying
  - Event and speaker coordination assistance for events open to the general membership

The Councils' Responsibilities include:

- Creation of policy manual to include at a minimum, membership criteria, fees and how Council voting will be conducted

- Reporting activities monthly to the RRAR Board of Directors on their monthly programs, speakers, topics, attendance and future agendas on the form provided or one of their choosing
- Collection of any/all fees beyond collection of annual Council Dues
- Reporting regularly and end of year Statement of Activities on income and expenses to the Council membership
- Statement of Anti-Trust Compliance to all members at their first annual meeting each year
- Providing RRAR staff at least two (2) months notice of any events that will be made available to the general membership including speakers, events and national designation programs
- Councils may hold designation courses but may not hold continuing education classes in adherence with the Association's policy *11. D Building & Rental Operations*
- Seeking their own sponsors, which must adhere to the Association's policy *13.1 Association's Advertising/Sponsorship*

## **SECTION 11: BUILDING & RENTAL OPERATIONS**

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- A. The public side of 111 Realtors Way is available for rental by members and the general public. Members may receive a discount from the published fees provided the intended use is in compliance with the facilities contract. A current copy of the facilities contract and fee structure will be maintained by the Association.
- B. The Raleigh Regional Association of REALTORS® and 111 Place do not permit seminars, presentations, programs, etc., that are of "recruitment" nature (programs that attempt to recruit agents, managers and/or franchisees). RRAR insists upon maintaining neutrality in such programs. Member companies and agents are invited to utilize facilities provided they adhere to the non-recruitment policy for Association Events described in *14 Association Events*. Members or companies violating this policy may lose rental privileges at the discretion of the Executive Committee.
- C. Any use of the facility may be subject to Executive Committee review in order to maintain the integrity of RRAR policies.
- D. Any member or firm's use of the facility for programs or services in competition with the Association are not permitted.

## **SECTION 12: NAR & NCR**

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### ***12.1 NAR Directors & NCR Directors***

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- A. The Association is entitled to one (1) NAR Director for every two thousand (2,000) REALTOR® members. These NAR Directors will serve three (3) year staggered terms, with no term limits. These Directors must meet any NAR requirements for this office and must actively seek to serve on NAR Committees or be involved in leadership roles at NAR or any of its Institutes, Societies or Councils. The Board of Directors will elect the NAR Directors. The NAR Directors from our Association will also serve as Directors to NCR. NAR Directors are required to attend the REALTORS® Legislative Meetings and Trade Expo in May as well as the NAR Convention in November.

- B. The Association is entitled to one (1) NCR Director and additional NCR Directors based on the NCR allotment policy. The incoming Executive Committee will appoint the incoming NCR Directors. These Directors will be appointed to a one (1) year term and will be comprised of the current NAR Directors and either current RRAR Directors or up to three (3) members who may be appointed that have served as RRAR Directors within the past three (3) years. All appointed NCR Directors must attend the RRAR Board of Directors meetings adhering to the Director attendance policy *2.1 Directors Responsibilities*. RRAR Directors wishing to serve as NCR Directors must have served at least one (1) year on the Board of Directors before serving as a NCR Director.
- C. Travel for NAR Directors and NCR Directors will be reimbursed per the *6.10 Travel Reimbursement* policy.

### ***12.2 NAR or NCR Office Candidate Endorsement Policy***

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If a candidate for NAR or NCR office or committee seeks an audience with the RRAR Board of Directors, then any other candidate(s) in that same race shall be invited as well.

Only the President and President-Elect are authorized to speak with candidates on behalf of the Association with regards to the Board's positions.

Only on recommendation from Executive Committee, consideration of endorsement will be considered by the Board of Directors in executive session. Any candidate endorsement(s) approved by the RRAR Board of Directors will be communicated to the Board membership.

RRAR members running for NAR or NCR offices may be given an opportunity to speak to the Board of Directors for consideration of candidacy promotion.

## **13. ADVERTISING / SPONSORSHIP**

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### ***13.1 Advertising / Sponsorship***

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Sponsorship is any form of advertising in connection with an Association Event, Program, Publication or Function by which an individual, firm or other legal entity is paying money or providing goods or services beyond a nominal value in exchange for name recognition. Sponsorship does not include either monetary or in-kind gifts to the Association, which are not provided with an expectation of name recognition for the purpose of advertising as determined by the Executive Committee. Sponsorship opportunities including for Committees and Councils of the Association as defined above shall be offered to any business, firm or organization wishing to sponsor except for:

- REALTOR® members, new home agents and new home marketing companies may sponsor association events to the extent that they are permitted to only promote their new home subdivisions, products or builders. There shall be no discussion of commission or bonus offers
- Businesses in direct competition with Association events, programs and functions (including RAP members)

- Any business, organization or content that is determined in the sole discretion of RRAR's Executive Committee to be contrary to RRAR's mission/vision statements or the interests of RRAR membership as a whole
- No advertisements soliciting agent recruitment or the offering of their real estate services to other members will be allowed

## **14. ASSOCIATION EVENTS**

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### ***14.1 Association Events***

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This policy shall apply to all Association events sponsored by RRAR, whether at the Association offices or off-site.

The Raleigh Regional Association of REALTORS® does not permit firm recruiting at Association Events. RRAR insists upon maintaining neutrality. Members are encouraged to participate in any Association events as long as they adhere to this policy regarding recruiting. Members violating this policy may lose attendance privileges at the discretion of the Executive Committee.