

POLICY MANUAL

SouthEast Valley Regional Association of REALTORS®

Effective: April, 2018

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SECTION 1: ASSOCIATION GOVERNANCE POLICIES

1.1 Rules of the SouthEast Valley Regional Association of REALTORS® (SEVRAR)

An association may adopt or be issued various kinds of rules. Below is a historical narrative concerning the rules of the SouthEast Valley Regional Association of REALTORS®.

SEVRAR was established in the state of Arizona in 1958. The most current document available is the charter which was rendered to the Association in 1958 by the National Association of Real Estate Boards (now known as the National Association of REALTORS®). The charter prescribes SEVRAR's privileges and responsibilities, including the duty to abide by the constitution and bylaws and observe the Code of Ethics of the National Association of REALTORS®. (Rev. 1-17)

SEVRAR was granted tax-exempt, not for profit 501 c (6) status by the U.S. Treasury Department, Internal Revenue Service. SEVRAR originally filed Articles of Incorporation (not for profit corporate status) with the State of Arizona in 1961.

SEVRAR's bylaws were adopted and have been amended by the membership at various membership and Board of Director meetings (dates unknown). The most recent amended version of the bylaws is dated October, 2017. (Rev: 10-2017)

SEVRAR recognizes, in its bylaws, the latest edition of Robert's Rules of Order as the authority governing all meetings and conferences of SEVRAR.

In addition, SEVRAR members in regular or special meetings, or SEVRAR's Board of Directors, in a regular or special meeting, may adopt special rules governing their meetings as found necessary to supplement or modify rules provided in Robert's Rules of Order. Special rules supersede any rules in the parliamentary authority with which they may conflict.

Standing rules as outlined in the Policy Manual may also be adopted at any regular or special meeting prescribed above and are rules which relate to the details of the administration of SEVRAR, rather than to parliamentary procedure.

Finally, SEVRAR is subject to all provisions of local, state and national law and regulation applying to professional, trade, tax-exempt, not for profit 501 c (6), corporations.

The following documents pertaining to the rules of SEVRAR are made a part of this manual or are located at SEVRAR office for review.

1) National Association Rules

- Constitution and Bylaws of the National Association of REALTORS®.
- Code of Ethics of the National Association of REALTORS®. Charter issued by the National Association of REALTORS®.
- Three Way Agreement among the national, state and member boards.
- Membership Criteria of the National Association of REALTORS®

2) Federal Government Rules

- Tax-exempt, not for profit 501 c (6) status letter granted by the US Treasury Dept., IRS

3) **State Government Rules**

- Articles of Incorporation granted by Arizona Secretary of State, for the SEVRAR. (Rev. (1-17)

4) **Association Bylaws**

- Bylaws provide the foundation for Association governance, and are amended by the Board of Directors and membership as outlined in the bylaws. (REV. 1-17)

1.2 Policy Formulation vs. Policy Administration

Distinctions are quite often obscure between and among such terms as policies, rules, positions, directives, regulations, procedures, practices, et al. Consequently, the following shall serve as definitions for SEVRAR concerning the terms used in the manual and SEVRAR generally:

1. **ARTICLES AND BYLAWS** are rules governing the operation of SEVRAR adopted by the Board of Directors.
2. **RULES OF ORDER AND STANDING RULES** are rules governing the operation of SEVRAR adopted by the Board of Directors in session with the advice and/or recommendation of staff.
3. **POSITIONS** are descriptive narratives, sometimes including recommendations, outlining the concerns and/or views of SEVRAR members on current issues adopted by the Board of Directors in session with the advice and/or recommendation of staff.
4. **PROGRAMS** are descriptions of activities relating to SEVRAR adopted by the Board of Directors and/or membership in session with the advice and/or recommendation of staff.
5. **POLICIES** are general or fundamental principles relating to Board involvement adopted by the members of the Board of Directors or Membership in session with the advice and/or recommendation of staff. They are broad enough to allow latitude in implementation, but narrow enough to give clear guidance.
6. **PROCEDURES** are the detailed explanations, directions or actions to implement adopted articles, bylaws, rules, positions, programs and policies selected and applied by staff with the advice and/or recommendation of the President. They address specific directions telling how, by whom and when things are to be done.

7. DEFINITIONS

Standing Committee. A standing committee will address strategies, programs and basic capacities through its own direct action or by the creation of special committees and task forces to get the work accomplished.

Special Committee. A committee appointed for a limited purpose by the President or a Standing Committee to handle an ongoing issue or program.

Task Force. A task force appointed by a Standing Committee or Special Committee Chair to do in-depth analysis. A task force reports its findings/analysis to the group which requested the information. The committee then decides what action is appropriate from those findings.

Presidential Advisory Group (PAG). A small group (5 – 9 people) appointed by the President with a defined beginning and a defined end with a measurable result as its outcome. It will make recommendations to the Executive Committee or Board of Directors. It is designed to serve as an outreach strategy to include members and non members who are not involved in the direction of the organization. The President during whose term the PAG is expected to report shall make the appointments

to the PAG. Presidential Advisory Group follows the standard committee procedures within the current SEVRAR Policy Manual including meeting minutes, document the formation of an Presidential Advisory Group, purpose, method of selection, regular reporting and final report and process (See below**)

Ex-Officio. A person included by virtue of their position and considered a voting member unless otherwise noted.

**Standing Committee Rules apply including: Does not subvert a Member Association Function; CEO to assign a staff member to each Advisory Group; Advisory Groups follow Open/Closed Meeting Policy; Minutes will be provided for appropriate publication.

Despite careful descriptions and definition, it is not always easy to distinguish between what is a policy-making and Policy-administration function. These tend to merge one with the other and what one views as policy-making may be viewed by another as Policy-administration. This difficulty can be held to a minimum, however, if everyone involved seeks to follow the distinctions herein.

1.3 Definition and Role of Board of Directors

The Bylaws of the SEVRAR defines The Board of Directors as the governing body of SEVRAR. Essentially, it is the Association's most important committee.

First and foremost, it is a policy-making body. Policy decisions are those that affect the organization as a whole, to determine mission, vision, goals, programs on the broadest scale. On the other hand, operational decisions affecting individual programs, services or people (employees), the efficiency and quality of services and day-to-day operations are the purview of the Chief Executive Officer.

As further defined in the Bylaws, The Board of Directors of the SEVRAR consists of the following voting members: (Rev. 1-17)

- President
- President-elect
- Vice President
- 1 Appointed Treasurer
- 1 Affiliate Director
- 4 Designated REALTOR®, Broker Manager or Owner Directors
- 4 REALTOR® Directors
- Immediate Past President, Ex-officio

Additionally, one Commercial Representative and one Young Professional Network Representative will be appointed as Ex-officio, nonvoting member each year by the incoming President.

A basic rule is that the legal entity, rather than the Board of Directors, is the holder of legal power. The powers of the Directors are not inherent in them, but in the organization as such. The principle exists that Directors or trustees exercise the powers of the organization, but do not own it. Thus, The Board of Directors has the power and duty to carry on whatever transactions the corporation or the association itself has the power to carry on. The power of The Board of Directors is superior, in ordinary matters, so long as it is exercised lawfully and in lawful transactions.

The Board of Directors is, in essence, the trustee in the literal and legal sense of the term. No matter how the organization is structured or the degree of authority delegated to committees, staff or affiliates, the Board - and therefore the Directors - are ultimately accountable. The Board of Directors holds in trust the principal responsibility for fulfilling the association's purpose and mission - as well as the legal accountability for its operations.

This does not mean that you should fear liability for every association loss or mishap that may occur; SEVRAR Board members are protected from liability for errors of judgment - as long as they act reasonably and in good faith, and with the basic interests of the association as the foremost objective.

Members of the Board of Directors shall have the utmost interests of the SEVRAR in mind at all times. They shall avoid any contract that may serve their personal interests and should never assume any position that brings their personal interests into conflict or competition with the interests of SEVRAR. (Rev. 1-17)

Finally, The Board of Directors, as the elected and/or appointed officials, has the responsibility to serve the entire industry or profession. As such, every member has the ability to embarrass or enhance the reputation of the group. Each individual member of SEVRAR has an important responsibility to the Association.

1.4 Standing Rules for the Board of Directors

RULE I: MEETINGS

Section 1. Meetings shall be conducted in accordance with the Bylaws and Standing Rules. Cases not otherwise covered shall be governed by the most current edition of Robert's Rules of Order Newly Revised.

RULE II: AGENDAS

Section 1. Preliminary meeting agendas shall be prepared by the President and the Chief Executive Officer. (Rev. 1-17)

RULE III: EXECUTIVE SESSIONS

Section 1. Only voting Board members, Chief Executive Officer, and specified staff may attend Executive sessions unless an exception is granted by the President or majority of the Board present and voting. For security purposes electronic participation is prohibited. (Rev.1-17)

RULE IV: SPEAKER RECOGNITION

Section 1. Members or Directors wishing to speak shall be recognized by the chair before addressing the body.

RULE V: MOTIONS

Section 1. Motions for consideration by the Board of Directors shall be submitted by individual Directors to the chair in writing.

RULE VI: VOTING

Section 1. Members and Directors shall be entitled to participation fully in all discussions and deliberations. However, only Directors shall be entitled to vote on matters before the body.

Section 2. Unless another form of voting is requested by a Director, voting on matters shall be by voice vote except when ballots are necessary for votes on officer and director elections, dues changes or bylaw amendments.

Section 3. Roll call votes on matters may be requested by the meeting chair or a director. The President or his/her designee shall call the name of each Director for their vote.

RULES VII: POLICIES

Section 1. Policies may be adopted, revised, deleted or suspended during any Board of Directors Meeting without advance notice.

Section 2. Adopted policies shall not be in conflict with the Bylaws.

Section 3. Adopted policies shall be included in the policy manual.

RULE VIII: MINUTES

Section 1. Minutes shall be kept for all meetings of the Board.

Section 2. The draft minutes of the Board meetings shall be communicated to each Board Member within 3 weeks following a meeting.

Section 3. After the draft minutes are approved, they may be made available for general distribution.

Section 4. The draft and official Executive Session minutes shall be maintained and available to the members of the Board who haven't recused themselves or declared a conflict of interest only. (Rev. 1-17)

RULE IX: ATTENDANCE

Section 1. Three absences in one-year or four absences in two-years will result in the automatic removal of the Director. Re-instatement can be appealed to the Board of Directors in extraordinary circumstances for consideration. (Rev. 1-17)

RULE X: VOTING

Section 1. Board of Director voting on election of officers, Bylaws, Policy and annual dues amounts shall be conducted as prescribed in the Bylaws, or through policy.

Section 2. All ballots shall be destroyed at the close of the business meeting after validation by the President and CEO.

RULE XI: AMENDMENTS, DELETIONS, ADDITIONS, OR SUSPENSION

Section 1. These Standing Rules may be amended, deleted, added to or suspended at a regular or special meeting of the Board by a majority vote of those present and voting.

RULE XII: POSTAL HOLIDAYS

If any of the deadline dates referred to in this Policy Manual fall on a Saturday, Sunday or U.S. Postal holiday then the date shall be extended to the next calendar day. (Rev.11-09)

1.5 Compliance Guidelines for the Board of Directors

The members of the Board of Directors of the SEVRAR acknowledge and accept the scope and extent of our duties as Directors. We have a responsibility to carry out our duties in an honest and businesslike manner and within the scope of our authority, as set forth in the Bylaws and governance policies. As Directors we must act within the bounds of the authority conferred upon us and with the duty to make and enact informed decisions and policies in the best interests of the SEVRAR members and its staff. The Board of Directors has adopted the following Compliance Guidelines and our Directors are expected to adhere to the standards of loyalty, good faith, and the avoidance of conflict of interest that follow. Board members will not use their title of "Board member" in business negotiations. (Rev. 1-17)

Board Members will:

- Act in the best interests of, and fulfill their obligations to the SouthEast Valley Regional Association of REALTORS® members;
- Act honestly, fairly, ethically and with integrity;
- Conduct themselves in a professional, courteous and respectful manner;
- Comply with all applicable laws, rules and regulations;
- Act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
- Act in a manner to enhance and maintain the reputation of the SouthEast Valley Regional Association of REALTORS®;
- Maintain confidentiality of information until such time as it is decided that a "public" statement will be made or position taken or when authorized or legally required to disclose such information;
- Not use confidential information acquired in the course of their service as Directors for their personal advantage;

- Disclose potential conflicts of interest that they may have regarding any matters that may come before the Board and abstain from discussion and voting on any matter in which the Director has, or may have, a conflict of interest pursuant to the Conflict of Interest Policy adopted by the Board and any future modifications which may be adopted by the Board in the future; and
- Make available to, and share with, fellow Directors information as may be appropriate to ensure proper conduct and sound operation of the SouthEast Valley Regional Association of REALTORS® and its Board of Directors.

A Board member who has concerns regarding compliance with this Compliance Guidelines should raise those concerns with the Executive Committee, who will determine what action shall be taken to deal with the concern. In the extremely unlikely event that a waiver of these Guidelines for a Board member would be in the best interest of the SouthEast Valley Regional Association of REALTORS®, it must be approved by the Executive Committee.

Board members will annually sign a confirmation that they have read and will comply with this Code. The signed copy will be kept on file. (Rev. 1-17)

SIGNATURE: _____

DATE: _____

1.6 Ownership Disclosure and Conflict of Interest Policy

Ownership Disclosure Policy

1. When SEVRAR has an ownership interest in an entity and a member has an ownership interest* in that same entity, such member must disclose the existence of his or her ownership interest prior to speaking to a decision making body on any matter involving that entity.
2. If a member has personal knowledge that SEVRAR is considering doing business with an entity in which a member has any financial interest**, or with an entity in which the member serves in a decision-making capacity, then such member must disclose the existence of his or her financial interest or decision making role prior to speaking to a decision making body about the entity.
3. If a member has a financial interest in, or serves in a decision-making capacity for, any entity that the member knows is offering competing products and services as those offered by SEVRAR, then such member must disclose the existence of his or her financial interest or decision-making role prior to speaking to a decision making body about an issue involving those competing products and services.

After making the necessary disclosure, a member may participate in the discussion and vote on the matter unless that member has a conflict of interest as defined below.

Conflict of Interest Policy

Member of SEVRAR’s decision making bodies, including but not limited to, the Executive Committee, Board of Directors, workgroups and other committees (hereinafter “Committee/Director Member”) should not use their position with the Association to further their private interests. Committee/Director Members should avoid placing themselves in situations where their personal interest may conflict with the interests of the Association and should at all times avoid the appearance of conflict of interest. Association duties should be performed in good faith and for the benefit of the Association.

Committee/Director Members will be considered to have a conflict of interest on an issue when:

1. The issue involves a business providing products or services to SEVRAR in which the Committee/Director Member or a member of the Committee/Director Member’s immediate family is a principal, partner or corporate officer.

2. The issue is one in which the Committee/Director Member or a member of the Committee/Director Member's immediate family has a financial interest involving money, employment, investments, credit or contractual rights.

Committee/Director Members with a conflict of interest must immediately disclose their interest at the outset of any discussions by a decision making body pertaining to the issue. Such Committee/Director Members may not participate in the discussion relating to that issue other than to respond to questioning asked of them by other Committee/Director Members of the body. Committee Director Members with a conflict of interest may not vote on any issue in which they have a conflict of interest, and may not be present when the vote on the issue is taken. (Rev. 1-17)

If a Committee/Director Member is believed to have an undisclosed conflict of interest, a five (5) person panel from the Professional Standards Committee shall be convened under the policies of the Ethics hearing and a decision shall be rendered to the Board of Directors absent the accused. The panel is allowed to impose all of the penalties within the jurisdiction of the Professional Standard Committee's procedures as well as to recommend removal from trusteeship of the person found to have violated the Conflict of Interest policy. The Directors shall be required to ratify the penalty by a majority vote. If the Directors are unable to ratify the actions by majority vote, all charges against the individual shall be dismissed.

During an appeal to Professional Standards or Grievance decisions, if a Director was a member of a panel or is a member of a company involved in arbitration, professional standards, grievance appeals or ratification, when identity of the parties are known, that member shall be excused from the Directors' meeting during the discussion of that matter.

1.7 Duties of the President

1.7.a Serves as executive elected officer representing the entire Association membership and its best interests within the limits of the Articles of Incorporation, Bylaws and Policies, the President is responsible for and has commensurate authority.

1.7.b To serve as the chairman of the Board of Directors and the Executive Committee and to keep them informed of the condition and operation of the Association.

1.7.c Serves as spokesperson for the Association in conjunction with the Chief Executive Officer. (Rev. 1-17)

1.7.d To monitor and coordinate the activities of the Chief Executive Officer in accordance with the Chief Executive Officer's employment and job description.

1.7.e Conducts the Executive Committee meeting for an annual review of organizational performance and Association effectiveness, including a review of the Chief Executive Officer's performance. (Rev. 1-17)

1.7.f Directs the Board of Directors in formulating policies and programs that will further the goals and objectives of the Association.

1.7.g To serve as official host of the Association at its social events.

1.7.h To approve contracts and official documents in conjunction with the Chief Executive Officer as directed by the Board of Directors.

1.7.i To serve as ex-officio member of the SEVRAR committees pursuant to the Roberts Rules of Order.

1.7.j Monitors expenditures to assure operation within the annual budget.

1.7.k To appoint, subject to approval of the Board of Directors, chairmen and members of Association committees, forums and task forces and to outline their purpose and duties, and to monitor their progress.

1.7.l To perform those duties as directed by the Board of Directors and the Executive Committee.

1.7.m The President shall automatically become an AAR Quota Director and an NAR Director. (Rev. 1-17)

1.8 Duties of the President-Elect

1.8.a Assumes the responsibilities of the executive elected officer in his or her absence. Assists the executive elected officer in carrying out the functions of that office and performs specific duties delegated by the executive elected officer. This position may be used as an orientation for the future executive elected officer.

1.8.b To serve as a member of the Board of Directors and as Vice Chairman of the Executive Committee.

1.8.c Performs duties assigned by the executive elected officer which may include serving as chairman of one or more of the Association committees.

1.8.d To recommend committee chairmen, vice chairmen and members to the President.

1.8.e Represents the Association with other associations or organizations as requested by the executive elected officer.

1.8.f To plan programs and activities appropriate for the upcoming year in concert with the Strategic Plan and in coordination with the SouthEast Valley Regional Association of REALTORS®.

1.8.g Assists the executive elected officer in the performance of his or her duties whenever requested to do so.

1.8.h The President-Elect shall automatically become an AAR Quota Director and an NAR Director. (Rev. 1-17)

1.9 Duties of the Vice President

1.9.a Assumes the responsibilities of the executive elected officer in his or her absence, in the event the President Elect is not available to perform his/her duties. Assists the executive elected officer in carrying out the functions of that office and performs specific duties delegated by the executive elected officer. This position may be used as an orientation for the future executive elected officer.

1.9.b To serve as a member of the SEVRAR Board of Directors and the Executive Committee.

1.9.c To assist the President and the President-Elect as assigned.

1.9.d To work in concert with the President, President-Elect, SEVRAR in carrying out the programs and activities of the Association. (Rev. 1-17)

1.9.e To represent SEVRAR at other associations/boards or organizations as assigned by the President.

1.9.f To assist the President-Elect in planning programs and activities appropriate for the upcoming year, in concert with the Strategic Plan and in coordination with SEVRAR. (Rev. 1-17)

1.9.g To perform other duties as assigned by the President.

1.10 Duties of the Treasurer

1.10.a Ensures the integrity of the fiscal affairs of the Association and serves on the Executive Committee and the Board of Directors.

1.10.b To serve as chairman of the Finance Committee and to review and recommend the annual budget to the Board of Directors.

1.10.c To review monthly financial statements and to report to the Board of Directors, highlighting current and prospective variances between budget and actual, citing the reasons and authority for such variances; and to review as necessary all financial accounts and records of the Association.

1.10.d To perform other duties as outlined in the Policies and Procedures or as assigned by the President. (See appointed officers, Article XI.1.B of the SEVRAR Bylaws)

1.11 Duties of the SEVRAR Directors

1.11.a Ultimate responsibility for the Association rests with the Board of Directors. The responsibility is recognized by state and federal laws; legally, the Board of Directors is responsible for the activities, employees and fiscal integrity of the Association. The appropriate role of the Board of Directors is to set policies that ensure it fulfills its legal and professional responsibilities to the Association. The Board of Directors should set the tone for dynamic and aggressive leadership within the Association.

1.11.b To ensure that the needs of the membership are met.

1.11.c Approve and evaluate programs and activities of the Association.

1.11.d Plan the future direction of the Association.

1.11.e Establish Association policies to guide the operation of the Association.

1.11.f Select and hire the Chief Executive Officer (CEO) and monitor and evaluate the CEO'S performance.

1.11.g Set financial objectives and monitor their achievement.

1.12 Duties of the Immediate Past President

1.12.a Serve as an ex-officio member of the Board of Directors, and as a resource to the succeeding leadership.

1.12.b Serve as a member of the Executive Committee.

1.12.c Serve and perform other duties as directed by the President.

1.12.d Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

1.12.e The Immediate Past President serves in this office in the year immediately following the year served as President.

1.13 Duties of the Affiliate Director

1.13.a An Affiliate member will be elected to the Board of Directors as a voting member with the exception of Professional Standards or Grievance matters.

1.13.b An Affiliate member must be a member of the Association and shall have been an active member of the affiliate committee and remain active during the term of their office, and will be elected by REALTOR® and Affiliate members to serve a two (2) year term.

1.14 Duties of the AAR Director

1.14.a Attend all AAR Board of Directors meetings.

1.14.b Attend the annual AAR Legislative Day in Phoenix.

1.14.c Keep the SEVRAR Board of Directors informed of the activities of the AAR.

1.14.d Present to the SEVRAR Board of Directors any programs, suggestions or concerns of their Member Association.

1.14.e Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

1.15 Duties of an Alternate AAR Director

Be responsible for all the duties and responsibilities of the AAR Director in the event of the AAR Director's absence, incapacity, or vacancy.

1.16 Duties of NAR Directors

1.16.a Serve as a NAR Board Director.

1.16.b Attend all State and NAR Board of Director meetings.

1.16.c Upon request, report to the SEVRAR Board of Directors and members on each NAR Board of Directors meeting.

1.16.d Seek the opinions and/or advice of local and state Association leadership on issues under consideration by the NAR Board of Directors.

1.16.e Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

1.17 Duties of the Chief Executive Officer

There shall be a Chief Executive Officer, appointed by the Board of Directors, who shall be the chief administrative officer of the Association. The Chief Executive Officer shall have the authority to hire, supervise, evaluate and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors. The Chief Executive Officer shall not hold an active Arizona real estate license.

1.18 AAR and NAR Director Voting

Inasmuch as Directors of the AAR and NAR are elected and/or appointed by the Board of Directors of the SouthEast Valley Regional Association of REALTORS® to act and represent the membership of the local and state, they should be left to cast their vote(s) according to their conscience.

Therefore, on all matters to be voted upon by the Board of Directors of the AAR and NAR, the Board of Directors of the SouthEast Valley Regional Association of REALTORS® may take a position on the particular matter. They may only suggest, but never require, that an AAR or a NAR Director vote the position of the SouthEast Valley Regional Association of REALTORS®' Board of Directors.

1.19 Duties of the SEVRAR Director Liaison

1.19.a The Director Liaison to a committee should attend meetings and become familiar with a committee and be a non-voting member of the committee.

1.19.b The liaison should be able to assist in an unbiased manner and relay information to the Directors with an unbiased, objective viewpoint, putting aside personal opinions.

1.20 Election Process

1.20.a LEADERSHIP CANDIDATE REQUIREMENTS. In order to qualify as a candidate to serve as an Officer or local Director of the SouthEast Valley Regional Association of REALTORS®, the following requirements must be fulfilled.

1.20.b Complete a Nomination Application Form and return it to the SEVRAR office. (Rev. 10/12, 1-17)

1.20.c A deadline for candidates to turn in their candidate applications for Director or Officer position shall be established annually by the Board of Directors. (Rev. 04/03, 04-16)

1.20.d Must attend a SEVRAR Candidate Orientation in the same calendar year as the election (Rev. 04/03). All candidates, excluding current Board members, will attend a Candidate Orientation prior to the ballot being certified by the Board of Directors. (Rev. 4/11)

1.20.e Any candidate for office must follow procedures as established.

1.20.f In the event that a question arises as to the qualifications of any candidate, the Leadership Development Committee shall review the qualifications to verify their eligibility. The Committee shall meet as often as necessary. A candidate shall not be placed on the ballot for more than one (1) elected position. (Rev. 3/99, 04/03, 10/12, 9/15)

1.20.g Should a write-in candidate be elected to a position, he/she must meet the requirements for the office he/she was elected to, including attending the SEVRAR Candidate Orientation within 30 days after the elections closed. A failure to meet these requirements will cause the candidate not to be allowed to serve. If a candidate is not allowed to serve the position will go to the person receiving the next highest number of votes. (Rev.8-11) (Rev. 1-17)

1.20.h REQUIREMENTS TO HOLD OFFICE FOR A DIRECTOR. A candidate for a Director position must have a minimum of three (3) years as a REALTOR® and one (1) year as a member of the SEVRAR Association; and, be properly qualified to hold office in accordance with the SEVRAR Bylaws.

1.20.i REQUIREMENTS FOR ELECTED OFFICERS. A candidate for an Officer position must have completed at least two years as a Director by the time he/she takes office, or within the last five years will have served, by the time he/she takes office, one full year as a Director and will have chaired for one full year one of the following committees: Finance, Grievance, Professional Development, Information Systems, Professional Standards, Government Affairs, Leadership Development, Community Outreach, will have chaired a committee or served as an officer of any other NAR affiliated organization. (Rev. 3-14)

1.20j CANDIDATE REQUIREMENTS FOR TREASURER POSITION. Requirements for an appointed Officer for the Treasurer position are: he/she must be able to read and understand SEVRAR'S financial statements, have financial experience and be able to facilitate the duties of a Treasurer. A Treasurer shall be appointed by the President and must be ratified by the Board of Directors with a majority vote. (Rev. 1-17)

1.20.k ELECTION OF OFFICERS AND DIRECTORS.

ELECTION CHRONOLOGY. The SEVRAR staff shall submit an Election Chronology to the Directors for approval no later than May 1 of each year. (Rev. 8-11, 9/15)

- First Friday in May – nominating procedures and forms made available.
- June 30th Deadline – for nomination application for Officers and Directors.
- July 30th – announce at all marketing functions the Director candidates and procedures for voting. (Rev: 10-17)
- Third Friday in August – Elections open
- Fourth Friday in August – Elections close
- August 31st – Officer and Director election results posted no later than. (Rev. 10-12, 10-2017)

The voting shall be handled as determined by the Board of Directors on an annual basis. (Rev.10-12)

Only REALTOR® or Affiliate members in good standing are entitled to vote.

The names of all qualified candidates shall appear in alphabetical order on the ballot under the designated office or directorship. A blank line shall be provided under the list of candidates for each available position. The ballot shall provide a space for proposition questions approved by the Board of Directors. (Rev. 4-16)

Each year there will be one (1) President-Elect and one (1) Vice President elected by the seated Board of Directors present and eligible to vote to serve as Officers. For the office of President-Elect and Vice President, the candidate for each office shall be elected per the Policy as outlined in Section 1.20.1.1b. For the position of Director, the candidates for each position voted on by the general membership, receiving the greatest number of votes for that particular position shall be elected. Each year there will be (2) two REALTOR® salespersons and two (2) from the following categories: Designated REALTOR®, Owner and Manager to serve as Directors. (Rev. 3/97, 04/03, 10/17, 4/18)

An Affiliate member will be elected to the Board of Directors as a voting member with the exception of Professional Standards or Grievance matters. An Affiliate member must be a member of the Association and shall have been an active member of the Affiliate Committee and remain active during the term of their office, and will be elected by REALTOR® and Affiliate members to serve a two (2) year term. An active member shall be someone who has not been absent from three (3) Affiliate Committee meetings in the last calendar year. If there are more than three (3) absences, they shall be removed from office and/or be ineligible to run the following term. A replacement shall be recommended by the Affiliate Committee and approved by the Board of Directors. (Rev. 11-09)

1.20.1 ELECTION POINTS OF POLICY.

1a.Election of SEVRAR Directors:

Director Ballots shall be posted with the names of the candidates for each position listed in alphabetical order. Propositions from the Association may be placed on the ballot. (Rev. 3/99) (Rev. 1/17, 10/17)

Ballots shall clearly state the number of candidates who may be selected for each position. Once the Ballot is established, the Ballot will be submitted to the Board of Directors for approval. Only REALTOR® or Affiliate members in good standing are entitled to vote. (Rev. 11-19-09)

The election notification shall be delivered electronically to each voting member in good standing on the third Friday in August. Each person eligible to vote shall receive a ballot with an explanation of the voting instructions including the deadline for voting. (Rev. 3/99, 04/03, 11/09, 10/12, 1/17)

The Association shall maintain the roster of those eligible to vote. If a member indicates voting information is needed, staff shall provide voting instructions, including the deadline for voting. (Rev. 11-09)

There shall be only one Ballot allowed per member. (Rev. 04/03) No proxy votes shall be cast by or for anyone. (Rev. 11/09).

New members who join the Association on the day of the election, and standing members appearing in person, shall be given the privilege of voting prior to 5:00 p.m. on the day of the election. (Rev. 04/03) Votes received up to 5:00 p.m. on the day of the election shall be tabulated. Tabulation shall be completed in accordance with the Election Chronology (Rev. 04/03, 11-09)

Candidates receiving the highest number of votes, corresponding with the number of positions to be filled shall be deemed elected, subject to Article XI, Section 3 of the SEVRAR Bylaws. Results of the election shall follow the Election Chronology.

In the event of a tie between two candidates for a particular position SEVRAR shall notify candidates and its membership within five (5) days following the final tabulation of votes. At the direction of the Leadership Development Committee a new electronic Ballot will be produced for completing the run-off election within 30 days from the close of the original election. (Rev. 12-12, 1-17)

There shall be no active campaigning on Association property during the voting period, except at approved SEVRAR sponsored campaign events. No promotional materials are allowed on Association property during the voting period. (Rev. 6-13)

Seated SEVRAR Board of Director members will remain neutral and shall not publically endorse candidates running for Director or Officer positions, individually or with their title. Past Board members may endorse with their previous title. (Rev. 12-16, 4-17)

No extensions will be allowed during the Election timeframe. Vacancies will be filled by a write-in and/or considered a "Vacancy" and filled by the Board of Directors per the Bylaws. (Rev. 1-17)

Each candidate will be allowed to make a presentation, up to two (2) minutes in length, twice per approved marketing function meeting location.

The electronic results will be destroyed ninety (90) days after the election if no election challenge or objection is filed with the Chief Executive Officer or Association President. (Rev. 04/03, 11-09) The Teller's Report will be provided upon request by any member. (Rev. 12/16)

Any challenge to the election must be submitted in writing to the Chief Executive Officer or Association President

specifying exactly who or what is being challenged within five (5) business days after the results were announced. Any cost shall be born by the challenger regardless of the outcome. (Rev. 1-17)

All rules and information regarding the election shall be made available to the membership and shall be published no later than ten (10) days prior to the notification of the Ballots, on the Association website (www.sevrrar.com). (Rev. 04/03, 11-09, 12/16)

1b. Election of SEVRAR Vice President and President-Elect (Officers): (Rev: 10/17)

Ballots shall be provided to the seated Board Members, present and eligible to vote, with the names of the candidates for each position listed in alphabetical order.

Ballots shall clearly state the number of candidates who may be selected for each position. Once the Ballot is established, the Ballot will be submitted to the Board of Directors for approval. Only REALTOR® or Affiliate Board members are entitled to vote.

Each Board member eligible to vote shall receive a ballot with an explanation of the voting instructions.

There shall be only one Officer Ballot allowed per Board member. No proxy votes shall be cast by or for anyone.

Elected Officers shall be elected by a majority vote of those directors present and voting. In instances of a contested seat, the election shall be by ballot. If there are more than two nominees for any office, and no one receives a majority vote on the first ballot, the nominee with the lowest vote total shall be dropped, and a new ballot will be taken. This will continue until a candidate receives a majority vote. (50% plus 1 of SEVRAR directors present and eligible to vote.) In the event of a tie the Executive Committee will receive a weighted vote of 1.5 (one point five) and Directors will receive a vote of 1(one). Rev: 10/17)

There shall be no active campaigning on Association property during the voting period, except at approved SEVRAR sponsored campaign events. No promotional materials are allowed on Association property during the voting period.

Seated SEVRAR Board of Director members will remain neutral and shall not publically endorse candidates running for Officer positions, individually or with their title. Past Board members may endorse with their previous title.

No extensions will be allowed during the Election timeframe. Vacancies will be filled by a write-in and/or considered a "Vacancy" and filled by the Board of Directors per the Bylaws.

Each candidate will be allowed to make a presentation, up to two (2) minutes in length, before the Board of Directors.

The election results will be destroyed ninety (90) days after the election if no election challenge or objection is filed with the Chief Executive Officer or Association President. The Teller's Report will be provided upon request by any member.

Any challenge to the election must be submitted in writing to the Chief Executive Officer or Association President specifying exactly who or what is being challenged within five (5) business days after the results were announced. Any cost shall be born by the challenger regardless of the outcome.

All rules and information regarding the election shall be made available to the membership and shall be published no later than ten (10) days prior to the notification of the Ballots, on the Association website (www.sevrrar.com).

1.20.m INSTALLATION OF OFFICERS AND DIRECTORS. During the Installation Meeting, the Officers and Directors-elect shall be installed. A pledge should be administered by a National Association of

REALTORS® elected official, an elected official of the Arizona Association of REALTORS® or by a person appointed by the President of SEVRAR. If the elected person is unable to attend and pledge, that person shall take the pledge at the first Directors' meeting in which he is in attendance. (Rev. 1-17)

A President that is sworn in is entitled to any and all benefits, past and present, including waiver of local dues upon completion of their one (1) year term. (Rev.8-11, 12/16)

SECTION 2: COMMITTEE/TASK FORCE POLICIES

2.1 Standing Rules of Committees and Task Forces

RULE I: AUTHORIZATION

Section 1. The Standing Committees, Board of Directors or President may authorize Special Committees or Task Forces. However, no Committee or Task Force shall be authorized or appointed which would have the intent of subverting a Member Association function.

Section 2. Committees and Task Forces may be abolished by the authorizing body.

RULE II: CHARGES

Section 1. Annually the charges of the standing committees will be reviewed and approved by the Board of Directors. Each standing committee will prepare its work plan based on the strategic plan, and submit the plan and budget to the Executive Committee and Board for approval. In emergency situations the President may assign a charge until such time as the Board can consider its approval.

Section 2. Special committees shall receive their charges from the appropriate Committee. (Note: Said charge shall not go beyond the parameters of the "parent committee" charges.)

RULE III: COMMITTEE RECRUITMENT/TERMS/SELECTION PROCESS

RECRUITMENT OF MEMBERS:

1. SEVRAR will provide members with Committee Request Forms after approval of the Strategic Plan for the following year. (Rev. 1-17)
2. A cutoff date will be put on the Committee Request Form to avoid confusion as to when they need to be submitted, and the problem with last minute submissions.
3. SEVRAR will provide members with Applications for Officer, Director, and Chair positions along with a description of the position.

COMMITTEE TERMS:

1. For committees that have term limits members may serve up to two (2) terms (with the exception of the Board of Directors) – at the discretion of the incoming Committee Chair. However, the incoming Chair shall attempt to have at least five (5) new members selected each year. (Rev. 1-17)
2. Members may serve on unlimited number of committees.

COMMITTEE SELECTION PROCESS:

1. All Committee Request Forms must be submitted by designated due date.
2. Staff will compile the request forms and create a matrix to send to the incoming President and Chairs. (Rev. 1-17)
3. Committee Matrix will include:
 - a. Entire list of those requesting a committee, and will show their 1st, 2nd, and 3rd choice.

- b. Staff will only screen committee applications where individuals are applying for committees that have restrictions (i.e. Grievance/Professional Standards) and indicate which individuals would not be eligible for that committee.
- 4. Staff will send to incoming Chairs: (Rev. 1-17)
 - a. Committee Request Matrix
 - b. A copy of the Committee Roster, with member terms (those with expiring terms will not be included)
 - c. Minimum number of committee members for the committee, along with a recommendation from the staff liaison as to what the top number of members on that committee should be. (This is only a recommendation; the total desired number is at the discretion of the incoming Chair.) (Rev. 1-17)
 - d. Contact information for all incoming Chairs. (Rev. 1-17)
 - e. Current committee rosters showing expiration dates of members.
- 5. Incoming Chairs will respond to their staff committee liaison within 10 days. (Rev. 1-17)
 - a. Response will include the list of individuals they have selected to serve on a committee.
 - b. Response will include the list of individuals not selected for a committee, but who they wish to have serve on a task force.
 - c. Response will include the list of individuals not selected for either the committee or a task force.
- 6. Recruitment by incoming Chairs. (Rev. 1-17)
 - a. If the incoming Chair are unable to fill the number of committee positions available, with the names given on the matrix, he/she shall be responsible for the recruitment of additional committee members. (Rev. 1-17)
 - b. The incoming Chairs may contact each other to discuss potential members listed on the matrix, but who may not have requested their specific committee. (Rev. 1-17)
 - c. The incoming Chairs may contact individuals listed on the matrix directly, to see if they would be interested in serving on a committee other than requested. (Rev. 1-17)
- 7. Invitations to serve on Standing Committees will be emailed to members:
 - a. Staff will send the lists provided to them by the incoming Chairs, to the SEVRAR incoming President for approval by the Board as soon as possible. (Rev. 1-17)
 - b. Staff will prepare and email letters to members to confirm committee/task force assignments and their term.
- 8. All committees shall be comprised of 80% REALTOR® members. (Excluding Affiliate, Global Business and Alliances Council, YPN, Marketing Home Tour and Commercial.)_Additional “Ex-officio non-voting members may be selected at the discretion of the Chair. (Rev. 1-17)
- 9. **Committee Timeline:**

September/October – Incoming President determines Committees and appoints Committee Chairs & Vice Chairs.

October - Incoming Committees/Task Forces are announced and Request forms sent out.

November/December – Committee member lists are compiled and presented to Chairs for appointments.

December – Committee appointments are approved by the Board. (Rev. 1-17)

RULE IV: QUORUM

Three (3) committee members shall constitute a quorum, unless otherwise provided.

RULE V: ATTENDANCE

Any committee member who misses three (3) or more meetings shall have their name automatically deleted from the committee roster. A member can rejoin a committee with the consent of the Committee Chair if they have been “dropped” for absences. Appointments to committees are on a calendar year basis. (Rev. 12-16)

RULE VI: OPEN MEETINGS

Board meetings will be open and accessible to any member that wishes to attend, with the exception of personnel or other matters deemed by the Board of Directors to be of a sensitive nature, for which the Board may choose to go into Executive Session. Only the voting Officers and Directors, CEO, and approved staff shall be entitled to attend the Executive Session. (Rev. 8-11, 12-16)

2.2 *Standing Committees*

The President shall appoint from among the members, subject to the confirmation by the Board of Directors, the following standing committees and their chair. (Rev. 10-12)

Finance
Professional Standards
Information Systems

Grievance
Government Affairs
Professional Development

2.2.a FINANCE COMMITTEE. Responsible for recommending the annual budget and planning and recommending financial policies, including insurance, to the Board of Directors. Investigates the best methods of financing programs/projects when so instructed by the Directors. Reviews and monitors Association income and expenses. SEVRAR Board of Directors shall be prohibited from serving on the Finance Committee during their active service on the Board. (With the exception of the Treasurer and Vice Chair). (Rev. 8-12, 4-16,10-16)

2.2.b GOVERNMENT AFFAIRS COMMITTEE. Monitors local legislation and recommends positions, in concert with AAR & NAR; Responsible for responding to member AAR & NAR “Calls to Action”; responsible for interviewing, recommending, and promoting candidates, with emphasis on the local level. (Rev. 10-12)

2.2.c GRIEVANCE COMMITTEE. 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. (Rev. 8-12)

2.2.d INFORMATION SYSTEMS. Assist the Association and its committees in defining specific needs and provide forums for information exchange. Recommend effective avenues for the exchange of information among membership, public, SEVRAR and ARMLS. Assist in evaluating new programs, products or services and assist SEVRAR in disseminating to membership. (Rev. 2-16)

2.2.e PROFESSIONAL DEVELOPMENT COMMITTEE. Responsible for planning and promoting the educational offerings of the Association. Assists with promotion of special seminars and educational offerings of other Association committees and NAR sanctioned Institutes, Societies or Councils. (Rev. 10-12)

2.2.f PROFESSIONAL STANDARDS COMMITTEE. 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 and Articles of Incorporation. Oversees DRS (Dispute Resolution Service) program. (REV: 8-12)

2.2.g SPECIAL COMMITTEES. The President shall appoint, subject to confirmation by the Board of Directors, such special committees and their chairman as deemed necessary.

2.3 Responsibilities of Chair

1. The work of a chair shall always encompass the missions and goals of the SouthEast Valley Regional Association of REALTORS® and shall never be influenced by self aims and personal objectives and shall avoid self-dealings in any matters relating to SEVRAR.
2. Before each meeting, consult with SEVRAR staff and other key members of the committee in planning the committee's task force's objectives and activities. The entire program of work should be thoroughly reviewed so that individual committee/task force and PAG assignments can be effectively made.
3. Direct the committee in reviewing and achieving the committee's objectives. Be responsible for stimulating group thinking, encourage and channel discussion, weigh the value of expressed ideas and suggestions, summarize constructive suggestions and seek out decisions.
4. In coordination with staff, insure that accurate minutes are kept, motions recorded, necessary reports prepared, and a record of committee work maintained.
5. Remain constantly informed regarding the progress of individual committee/task force and PAG members' assignments.
6. Motivate the members of the committee/task force and PAGs toward active participation and involvement. With SEVRAR and the committee objectives in mind, channel the interests and talents of individual members into productive efforts and insure the necessary follow-up action.
7. Have a thorough knowledge of SEVRAR's policies.
8. Select Special Committee chairs, as directed by committee policy and provide them with the Special Committee charge.
9. Be familiar with the events of other committees so as to avoid duplication.
10. Continually review and evaluate the committee's business plans and their progress.
11. Accept all responsibilities as assigned by the President and the Board of Directors.

2.4 Responsibilities of Vice Chair

1. Be responsible for all the duties and responsibilities of the Committee Chair in the event of the Chair's absence or incapacity.
2. Serve and perform other duties as directed by the Chair.
3. Serve as the Vice Chair of the Committee.
4. Shall be expected to attend all meetings of the Committee. (Rev. 12-16)
5. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

2.5 Responsibilities of Committee Members

While the duties of the individual committee member may vary, there are certain basic responsibilities when he/she accepts an appointment.

1. The work of a member shall always encompass the missions and goals of the SouthEast Valley Regional Association of REALTORS® and shall never be influenced by self-aims and personal objectives and shall avoid self-dealings in any matter relating to SEVRAR.
2. Acknowledge immediately all communications regarding committee work.
3. Determine their availability for committee meetings and inform the chair or staff as soon as possible.
4. Insure that their organization's superiors are fully aware of their responsibilities and commitments for meetings.
5. Become acquainted with committee members early in the year.
6. Thoroughly review all pertinent background material and the agenda before coming to meetings.
7. Take an active part in all discussions.
8. Seek to understand and have respect for others' ideas and conflicting viewpoints.
9. Consider all problems objectively and impersonally.
10. Seek clarification on any point or problem not fully understood.
11. Follow through on accepted assignments as requested by the chair or committee.

2.6 Role of Committee Staff

An important consideration is to understand the role of the staff and its relationship to committees. The staff should render all possible assistance, but should never assume the committee's prerogative. The staff representative is involved so as to answer questions, offer suggestions or raise questions when appropriate. They are expected to be knowledgeable on Association policy, committee scope, and the subject under discussion. They are not, however, to serve as accomplishees of the committee's tasks.

The control of internal operating activities and procedures of SEVRAR rests with the Chief Executive Officer. Staff allocation remains the responsibility of the CEO.

2.7 Executive Committee

Purpose: To conduct the affairs of the Association in accordance with the policies and instructions of the Board of Directors and to make recommendations concerning any policy changes of the Association to the Board of Directors.

The Executive Committee is responsible for ensuring that the Association's overall goals are met. The Executive Committee's agenda should focus on SEVRAR's strategic initiatives and oversight of allocation processes and results.

Composition: The Executive Committee shall consist of the President, President-Elect, Vice President, Treasurer, and Immediate Past President. In addition, the Association's Chief Executive Officer shall serve in an ex-officio, non-voting capacity.

Areas of Responsibility:

1. Provide budget oversight of all programs as outlined in the budget policies.
2. Hire the Chief Executive Officer, enter into an employment agreement as appropriate and approve extensions to such agreement as specified in the agreement.
3. Conduct an annual review of the CEO, with input from the Board of Directors, and present their evaluation to the Board of Directors.
4. All personnel issues dealing with the CEO, including the annual review process, shall be conducted by the President, President-elect, immediate past president, Vice President, and Treasurer. However, the full Board of Directors shall vote on the hiring and firing of the CEO.
5. Review the annual budget as submitted by the Finance Committee and make recommendations on a draft budget to be presented to the Board for approval.

Committee Procedures:

Meetings shall be chaired by the President and conducted in accordance with the Bylaws and the intent of Standing Rules for the Board of Directors.

Agenda items should be presented to the President and the Chief Executive Officer at least ten (10) days prior to a meeting whenever possible.

The Committee, between meetings of the Board of Directors, may act upon matters of policy subject to Board ratification at its next meeting, that are necessary to conduct the affairs of the Association. In addition, the Committee shall review progress of the Association, including work of standing and special committees, task forces, administration, and periodically report its findings, conclusions and recommendations.

SECTION 3: FINANCIAL POLICIES

3.1 Budget Timeline

March/April – Strategic Planning Conducted & Draft Plan Formulated

May – Board of Directors will review and approve the Strategic Plan

June – The Finance Committee will meet to set the preliminary membership projections for the following year

June – Begin developing Committee Business Plans based on approved Strategic Plan and membership projection (budget).

July - Detailed budget and history reports through June 30th are provided to Committee Chairs and Senior Staff for finalizing Budgets and Business Plans

July - Senior Staff return budget projections and Business Plans for their areas to the Controller for assembly.

July – Draft operating budget for following year and two year draft operating forecasts assembled. Details reviewed by CEO and Senior Staff. Three year draft budget sent to the Finance Committee for review.

July – The Finance Committee will review, modify and forward the one year draft budget and two year forecast for the Executive Committee to review, modify if necessary and approve.

July – The Executive Committee will meet to review and make any necessary policy and political decisions to the proposed work plans and draft budgets.

August – The Executive Committee will meet to finalize any Operating Budget issues before sending them to the Board of Directors for approval at their September meeting.

September – The Board of Directors will meet and may amend the proposed budgets if necessary prior to final approval.

January – New Budget Cycle commences.

3.2 General Dues/Fee Policies

3.2.a DUES & FEES. Payment of dues or fees is subject to the Bylaws and is a membership obligation.

3.2.b ANNUAL DUES PAYMENT. Dues are assessed annually by the Board of Directors in accordance with the Bylaws. Dues are the property of the Association and are non-refundable. Dues paid in advance by applicants for Association membership become the property of the Association when paid.

3.2.c If the annual dues, are not paid by January 15th of each year, the dues shall be declared delinquent. There shall be a late fee as determined by the Board of Directors for payments received after January 15th. After January 30th, a notice shall be sent to the delinquent member’s designated broker, indicating non-payment of dues and given 15 days to remit the applicable non-member assessment.

3.2.d APPLICATION FEE AND REQUIREMENTS. The application fee must accompany the application for membership. All requirements for membership, including orientation, must be completed within ninety (30) days of application or application for membership is terminated. (Rev. 1-17)

3.2.e INSUFFICIENT FUNDS POLICY. Any member who submits a check for payment of dues or fees owed to the Association that is returned for insufficient funds shall be charged a \$50 fee to process and re-submit the checks for payment.

If a check is unable to be resubmitted for payment or it is returned a second time, then the member who submitted the check shall deliver or cause to be delivered to the Association, cash, money order, cashier's check or other certifiable funds in the amount of the uncollected debt plus the \$50 fee for the insufficient check. (Rev. 4/05)

3.2.f FAILURE TO COMPLY WITH COURSE REQUIREMENTS. SEVRAR Staff shall send a notice to members who are out of compliance with Section 3.A of our Bylaws indicating they have 10 days from the date of notification to complete the courses (online or in person) or request a Hearing before the Board of Directors as outlined in Section 3.C of the Bylaws.

If the member does not comply within the 10 day time period, and a request for a hearing is received, a Hearing

will be held to determine whether to terminate the membership or not. (Rev. 1-17)

3.3 General Financial Policies

3.3.a All items under Financial Policy 3 shall be reviewed and updated prior to the annual budget preparation process.

3.3.b ANNUAL BUDGET. The annual budget shall be submitted to the Directors in September for approval in October preceding the budget year.

3.3.c The Board of Directors shall supervise the expenditures of the Association's funds, and shall designate the depository in which such funds are deposited. The President, President Elect, Vice President, Chief Executive Officer or CEO's designee are authorized to sign the checks on the Association's checking accounts. Contracts and agreements with vendors can only be entered into by the Association with the approval of the Board of Directors and executed by the CEO as defined by the limits placed on expenditures for budgeted and non-budgeted items.

Investments and reserves shall be governed by the Investment Policy approved by the Board of Directors.

The President shall cause to have an audit of the Association's assets annually, and review such audit with the Board of Directors. The Association President may review the checking accounts monthly and date and initial the review by the last check written. All authorized signers on all Association accounts shall be bonded at least in the amount of \$10,000. The Directors shall review the monthly financial reports. No distribution of checks shall be made without proper invoice or receipt being submitted.

3.3.d SPENDING FOR NON-BUDGETED ITEMS. With the exception of the Critical Needs Committee the Directors have approved a spending authority for the Chief Executive Officer for non-budgeted items up to \$5,000 per occurrence and for the Executive Committee for non-budgeted items up to \$5,000 for the budget year. No personal loans shall be made to staff without the approval of the Board of Directors. (Revised 8-27-12)

The Critical Needs committee shall have the authority to disburse funds in accordance with the policies of the Critical Needs Committee Policies. Any disbursements of \$10,000.00 will require a vote by the Board of Directors. (Revised 8-23-12)

3.3.e RESOLUTION OF DEPOSIT. WHEREAS: The SouthEast Valley Regional Association of REALTORS® is a not for profit organization receiving dues, fees and other monies from its members, and

WHEREAS: These funds should be deposited in a financial institution within the jurisdictional boundaries of the Association; now therefore be it:

RESOLVED: That all FDIC or FSLIC insured financial institutions within the jurisdictional boundaries of the Association that are duly authorized Arizona banking institutions be acceptable depositories in which funds of the Association may be deposited; further, that any officer of the Association is hereby authorized for and on behalf of the Association to open an account or accounts with said financial institutions, to accept the provisions and conditions set forth on the financial institutions' required signature card(s) relating to said account or accounts, and to make arrangements for the conduct thereof as he or she shall deem proper; and that the Chief Executive Officer or their designee of the Association be duly authorized to sign checks that indebted the Association and further, that any one of the following named Officers of the Association shall also be authorized to sign checks indebted the Association effective during the duration of their elected term: President, President-Elect, and Vice President.

And be it further:

RESOLVED: That one signature of any of the above named representatives of the Association be required to

withdraw funds or close established accounts with any duly authorized depositor(s); and, be it further:

RESOLVED: That the approved depositories be authorized and directed to honor and pay checks that are properly executed in accordance with the Bylaws and this resolution; and be it further:

RESOLVED: That the foregoing resolution shall remain in full force and effect until written notice of the amendment or rescission thereof shall have been delivered and received by the depository institution; and, be it further:

RESOLVED: That the Chief Executive Officer or Corporate Secretary of the Association be, and he/she hereby is, authorized and directed to certify to the Bank that these resolutions and the provisions thereof are in conformity with the Articles of Incorporation and the Bylaws of the Association.

3.3.f CHECKING RECONCILIATION. Monthly bank statements shall be reconciled with checking account and tied into the general ledger balance.

3.3.g PERSONAL VEHICLE USE REIMBURSEMENT POLICY. It shall be the policy of the SouthEast Valley Regional Association of REALTORS® that any employee who uses their personal vehicle on Association business expecting reimbursement must have an acceptable driving record and carry a minimum of \$100,000/\$300,000 underlying limit of liability for their personally owned auto insurance. Acceptable driving record to be defined as proof of insurance at minimum stated.

The SouthEast Valley Association of REALTORS® should be listed as an additional insured on the automobile insurance policy for the Chief Executive Officer.

3.3.h ASSOCIATION RELATED TRAVEL. All items of Association related travel shall be reviewed and updated prior to the annual budget preparation process and reviewed by the Directors annually at the Directors' Planning Session, as well as any other time deemed necessary.

3.3.i TRAVEL EXPENSES. The travel policy shall cover travel expense reimbursement to all meetings considered regular and normal, local, State, Regional or National, approved by the Board of Directors. The Board of Directors reserves the right to determine in their annual budget who gets reimbursed for travel expenses.

3.3.j REIMBURSEMENT. Reimbursement for Association-related travel shall be approved by the Board of Directors and Officers subject to the filing of a written report.

All budgeted reimbursable expenses, incurred on behalf of the Association and received within thirty (30) days, shall be reimbursed within ten (10) days of receipt of a properly completed request for reimbursement form, which is approved by an Officer of the Association or the CEO. If a request for reimbursement of expenses is not received by the Association within thirty (30) days after the occurrence of the expense, then the reimbursement is to be made only after approval of the Directors at a duly called regular or special meeting. (All new SEVRAR, AAR and NAR Officers and Directors will be instructed in the policy use of reimbursable expenses and all necessary forms and reports regarding expenses.)

All reimbursements from other sources shall be first subtracted from reimbursable expenses submitted to the SouthEast Valley Regional Association of REALTORS®. Combined reimbursements shall not exceed actual expenses. All expense voucher reimbursement forms are available from the Association office.

3.3.k REIMBURSABLE EXPENSES - DEFINITIONS

TRAVEL. The ordinary expenses to and from the meeting location at the IRS allowable rate or actual costs of taxi and/or airfare (at coach rates of most economical available rate through arrangements made by Association staff). Exceptions: Travel expenses shall not be reimbursed for meetings held within the Phoenix valley-wide area.

PER DIEM. The Association will reimburse authorized travelers per diem at budgeted rates approved for each meeting. Per diem expenses are to be cumulative over the number of authorized days at association expense. A log or daily record of per diem expenses shall be submitted with the request for travel reimbursement. Receipts must be submitted for any expense over \$25. *Non-receipted expenses must be submitted on the required SEVRAR form.* Advanced per diem expense authorization may be given up to one week prior to the authorized meeting with a record of the expenses to be turned in before any additional expense reimbursement is made. A location more than fifty miles from the Association office is considered a per diem day. All per diem travel must be authorized by the Directors or be an approved line item expense on the travel budget for leadership training.

Per diem reimbursement shall be based on calendar days based on the time of authorized departure. All disputes of policy shall be submitted to the Treasurer for consideration with a final ruling by the Board of Directors, based on appeal of the Treasurer's ruling.

LODGING. The actual cost of overnight lodging shall be reimbursed at the single room rate for standard rooms (lodging) during the required stay for the assigned meetings. When rooms (lodging) are shared, the expenses of the double room shall be paid, either half to each or all to the individual who paid the fees.

REGISTRATION. Registration expenses at the least expensive or discounted rate shall be reimbursed.

REIMBURSEMENT PROCEDURE. If a per diem advance is received then all funds in excess of the substantiated expenses must be returned within 30 days after the occurrence of the expense.

3.3.i PROFESSIONAL STANDARDS ADMINISTRATION FEE. A \$500.00 administrative fee will be charged to any member found in violation of a code of ethics complaint. (Rev. 4-13, 10-16)

3.3.m OFFICE TRANSFER FEE. All changes in member affiliation (except transfers with the same Designated Broker) shall be made in writing and shall be submitted with a \$50.00 transfer fee. No changes will be made in MLS and membership records until Agent Change Form is completed and fees are paid. There will not be a fee for an agent changing from one branch office to another. (Rev. 10-16)

3.3.n EDUCATION CREDIT/REFUND POLICY. There is a "no refund" policy for prepaid registration to Association educational programs. If a registrant is unable to attend a prepaid educational program, credit may be applied to a subsequent program. However, no cash refund will be made.

3.3.o GRI REFUND/CANCELLATION POLICY. If a person enrolls in a GRI course and must cancel prior to the day of the course, the following will apply, as per AAR policy:

If the person cancels before the early registration deadline, then a refund of the fee, minus \$20.00 as a non-refundable service fee, will be refunded. The party may request a credit for a future class instead of a refund. Full credit will be given to the next applicable class.

If a person cancels after the early deadline, then there will be no refund of the fee. A credit will be given, upon request only, toward a future class as agreed to by the individual requesting the refund.

3.3.p Appeals to the refund policy may be made to Chief Executive Officer. A decision will be sent to the party requesting appeal of the policy within 10 days. If the staff decision is not acceptable, the party requesting a further appeal may file with the Board of Directors within 10 days of the receipt of the staff notice. At their next meeting, the Directors will make the final decision as to the disposition of the funds. The Directors will consider the staff decision in the appeal to the Association.

SECTION 4: GENERAL POLICIES

4.1 Facilities & Association Property

4.1.a ASSOCIATION ASSETS. Membership dues or fees shall not create a vested interest in any properties owned by the Association.

4.1.b OFFICIAL ADDRESS. The Directors shall designate an address as the official headquarters and office of the Association if any change should be made from the Association's present address.

4.1.c SMOKING.

The Association has been designated as a non-smoking facility except in designated areas. (Rev. 8-11)

4.1.d ALCOHOLIC BEVERAGES. There will be no open bars at a local function of the Association, only cash bars and not more than two free drink tickets per person attending any function of the Association shall be approved by the Board of Directors. Special exemption of this policy can be approved by the Board of Directors. There will be no alcoholic beverages at Board of Directors' meetings.

4.1.e RENTAL FEES AND POLICIES

RENTAL OF ASSOCIATION CONFERENCE ROOM. The Association conference room shall be made available to nonmembers of the Association, and fees shall be established at such time of approval. Nonmembers shall file a hold harmless agreement for use of the Association facilities. (Rev. 8-11)

Institutes, Societies and Councils of NAR may use the Association facilities, upon approval of the Board of Directors, at no charge, on the condition that no fees are charged for admission by the institutes, societies and councils of NAR.

Each group using the Association office will be responsible for cleanup of the conference room after use, i.e., disposal of empty cups and soft drink cans, etc.

4.1.f SPECIAL RENTAL FEES. If the group is renting the facility for five or more days, they are entitled to a special contract rate, to be determined at the time arrangements for the rental are being made.

4.2 General Membership Policies

4.2.a BROKER AFFILIATION CHANGE. All changes in member affiliation shall be made in writing and shall be submitted to the SEVRAR within thirty (30) days of the change. The Association shall maintain a form for the use by members to sever, add, or transfer a member or licensee. However, a letter or statement in writing, signed by the broker or his assignee, shall be acceptable.

4.2.b CERTIFICATION OF REALTORS®. Designated REALTOR® members of the Association shall certify to the Association during the month of August, on a form provided by the Association, a complete listing of all licensed individual(s) with the Designated REALTOR® firm and other pertinent data within the State of Arizona and shall designate a primary Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s office(s) and if designated REALTOR® dues have been paid to another association based on said non-member licensees, the designated REALTOR® shall identify the association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(A) of the Bylaws. "Designated" REALTOR® Members shall also notify the Association of any additional individual(s) licensed or certified with the firm(s) within (10) ten days of the date of affiliation or severance of the individual.

Failure to submit the form to the Association by the date specified on the form shall result in an automatic fine of one-hundred dollars (\$100.00). An additional fifty dollar (\$50.00) charge will be assessed if the certification form is not received by the Association office within two weeks of the date of the reminder letter. Appeals of the automatic fine

may be made to the Board of Directors. Designated REALTOR® members shall also notify the Association of any additional individual(s) licensed with the firm(s) within (10) ten days of the date of the affiliation or severance of the individual. (Rev. 4-16)

4.2.c ORIENTATION POLICY. Any former member who is reapplying for membership will be credited with having completed the orientation requirement if the applicant can show proof of completion of the Association Orientation course after within the previous two years, unless membership has been previously terminated "not in good standing."

Affiliate Certification is mandatory for all new Affiliates within 90 days of joining. Any former affiliate member who is reapplying for affiliate membership will be credited with having completed the certification requirement if the applicant can show proof of completion of the Affiliate Certification course after within the previous two years, unless membership has been previously terminated "not in good standing." Membership and Certification is a pre-requisite for sponsoring "Continuing Education" classes. Affiliate Members and Member Affiliate Members may only promote companies that are members of the Association that paid sponsorship for a specific event. Violators may be fined and/or subject to Professional Standards disciplines. (Rev. 4-15)

4.2.d MEMBERSHIP INDUCTION AND PLEDGE. Newly elected REALTORS® shall be officially installed at the conclusion of the Orientation Class. (Rev. 4-13)

4.2.e When a Designated REALTOR® notifies the Association office of a termination of a REALTOR® member, the termination results in an automatic resignation from the Association. REALTOR® members who have been terminated have ten (10) days in which to apply for a withdrawal or associate with another Designated REALTOR® member. REALTOR® members who have been terminated shall automatically be reinstated to REALTOR® membership within the ten (10) day period by notifying the Association of affiliation or employment with a Designated REALTOR® member of the Association, providing proper written notice is provided to the Association within the ten (10) day period.

4.2.f Temporary Designated REALTOR® membership shall automatically terminate in ninety (90) days from the date of Application unless extended by the Board of Directors. Permanent status would be given upon completion of application requirements and approval by the Board of Directors. (Rev. 12-10)

4.3 DOCUMENT RETENTION POLICY

4.3.a DOCUMENT DESTRUCTION AND RETENTION. The SEVRAR shall retain records for the period of their immediate or current use, unless longer retention is necessary for historical reference or to comply with contractual or legal requirements. Records and documents outlined in this policy include paper, electronic files (including emails) and voice mail records.

In accordance with 18 USC §1519 and the Sarbanes Oxley Act, the Association shall not knowingly destroy a document with the intent to obstruct or influence an investigation or proper administration of any matter within the proper jurisdiction of the United States. If an official investigation is anticipated or underway, document purging will stop. Further, to eliminate accidental or innocent destruction, the Association follows a Records Retention Schedule as set forth below.

Description (alphabetically)	Retention Period
Accident Reports and Claims (settled cases)	7 years
Accounts payable ledgers and schedules	7 years
Accounts receivable ledgers and schedules	7 years
Audit reports of accountants	permanently

Bank reconciliations	3 years
Capital stock and bond records; ledgers, transfer registers, stubs showing issues, record of interest coupons, options, etc.	permanently
Charts of accounts	permanently
Checks (canceled but see exception below)	7 years
Checks (canceled for important payments, i.e., taxes, purchases of property, special contracts, etc. [checks should be filed with the papers pertaining to the underlying transaction])	permanently
Contracts and leases (expired)	7 years
Contracts and leases still in effect	permanently
Correspondence (routine) with members, customers, or vendors	2 years
Correspondence (general)	3 years
Correspondence (legal and important matters only)	permanently
Deeds, mortgages, and bill of sale	permanently
Depreciation schedules	permanently
Duplicate deposit slips	2 years
Employee personnel records (after termination)	7 years
Employment applications	3 years
Expense analyses and expense distribution schedules	7 years
Financial statements (end-of-year, other months optional)	permanently
General and private ledgers (and end-of-year trial balances)	permanently
Insurance policies (expired)	7 years
Insurance records, current accident reports, claims, policies, etc.	permanently
Internal reports (miscellaneous)	7 years

4.3.b RETENTION OF PROFESSIONAL STANDARDS ETHICS & ARBITRATION COMPLAINT FILES.

1. Grievance Committee Dismissal: Destroy file after twenty (20) day appeal period.
2. Ethics case: If respondent is found not in violation of the Code of Ethics, destroy the file after the decision's adoption by the Professional Standards panel responsible for ratification.
3. Ethics Case: If respondent is found in violation of the Code of Ethics, records relative to the rest of the ethics file should be retained for one year after any discipline has been complied with absent a threat of litigation. (A copy of the decision will remain in the member's personal file at the association office).
4. Arbitration case: Destroy after twenty (20) day review period has been completed and award has been paid.
5. Files of ethics cases withdrawn as a result of an SEVRAR mediation agreement will be retained for one year after the mediation agreement is reached.
6. After time specified, no later than 30 days all documents will be destroyed. (Rev. 10-16)

4.4 Legal Policies

4.4.a LEGAL COUNSEL. The Board of Directors may employ a legal counsel.

4.4.b ACCESS TO ASSOCIATION ATTORNEY. Only the President, President-Elect, and Chief Executive Officer or their designee is authorized to contact the Association attorney on official business of the Association. Billings for unauthorized contacts will be the responsibility of the contacting party.

4.4.c LEGAL CASES AND LEGAL INFORMATION. No member, or group of members, shall be permitted to obligate the SouthEast Valley Regional Association of REALTORS®, Inc. for legal fees or litigation costs in which individual members of the Association are involved. No member of the Association shall seek legal information from the Officers, Directors or office staff of the Association; whenever an Association member requires legal advice, he/she shall consult an attorney. If a member requests legal advice from the Association's attorney, he/she shall do so with the understanding he/she is seeking such information as an individual and is obligated to pay any legal charges for such services rendered.

4.4.d WHISTLE BLOWER.

SEVRAR is committed to lawful and ethical behavior in all of its activities and requires its staff to conduct themselves in a manner that complies with all applicable laws and regulations. If at any time a concern exists regarding the propriety or legality of action contemplated to be taken or that has been taken by a SEVRAR Officer, Director, staff, Association member, committee member or any contract or vendor as the action relates to SEVRAR activities, or if an action needs to be taken in order for SEVRAR to be in compliance with law or appropriate ethical standards you can address the issue directly by going to the CEO, President or President-Elect as needed until matters are satisfactorily resolved.

Alternatively, if you are not comfortable speaking to the CEO about the matter or do not feel your issue has been properly addressed; you may contact SEVRAR's President or President-Elect about the matter. If you do not believe that direct channels of communication can/should be used to express your concerns, you can send an anonymous letter or mail utilizing the U.S. mail or any internet hosted email service (using an anonymous name) to the CEO, SEVRAR President, or SEVRAR President-Elect. (Rev. 12-10, 12-16)

4.5 Harassment Policies

SEVRAR fully supports the right of all its members and employees to work in an environment free from harassment. Harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, action including strikes, shoves, kicks or similar physical contacts or threats to do the same, or any other with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating, or offensive work environment. (Rev. 2-12)

A. Definition of Sexual Harassment.

Sexual harassment includes:

1. Unwelcome sexual advances;
2. Unwelcome requests for sexual acts or favors;
3. Other verbal or physical conduct that has the purpose or effect of unreasonably interfering with an individual's work performance by creating an intimidating, hostile or offensive work environment.

B. Complaint Procedure. Any employee who believes he/she has suffered harassment by any other employee, including supervisors and co-workers, or by any member of the Association or by any guest or visitor of the Association must bring the problem to the attention of any of the following individuals: his/her supervisor, the Chief Executive Officer; or an elected Officer (President, President Elect or Vice President). The complaint must be in writing. It is helpful if details of the dates, times, places and witnesses, if any, to the harassment can be provided. If the CEO or Association President is involved as the complainant or accused, then the findings and recommendations should be made to the Executive Committee. (Revised 12-9-10) (Rev. 1-17)

C. Complaint Investigation and Confidentiality. All complaints will be investigated promptly by a team comprised of those cited in the Section above, plus legal counsel, if necessary. The identity of the employee making the complaint as well as the identity of the individual accused of harassment will be kept strictly confidential to the extent possible. Information regarding the charge of harassment will not be made known to anyone who is not directly involved either as a party, a witness, a member of the investigatory team, or the Chief Executive Officer. Witnesses interviewed will be provided only such information as is necessary to elicit from them their observations and other relevant information. During the investigation, both the complainant and the accused will be provided a full opportunity to tell their side of the story. Witnesses identified by the complainant or the accused will be provided a full opportunity to tell their side of the story. Witnesses identified by the complainant or the accused will also be interviewed. Upon completion of the investigation, the investigatory team will prepare a written report of its findings and recommendation for the Chief Executive Officer. Authority for the final resolution of

all charges and the determination of appropriate sanctions rests with the Chief Executive Officer, who shall report their recommendations to the Board of Directors.

D. Discipline. Harassment is a serious offense and any employee found to have engaged in such conduct is subject to severe discipline, including termination. It is contrary to the Association policy for a supervisor to retaliate against any employee who files a charge of harassment. All possible steps will be taken to eliminate the possibility of retaliation resulting from the filing of a complaint. In the event a complaint of harassment is found to be totally and completely without basis, appropriate disciplinary measures may be taken against the employee who brought the complaint. While this is in no way intended to discourage any employee who believes they have been the victim of harassment from bringing a complaint, the Association recognizes that a charge of harassment can cause serious damage to the accused's personal reputation and professional career. (Rev. 1-17)

E. Follow Up. In instances in which harassment is found to have occurred, a member of the investigatory team will remain in communication with the victim to find out whether the harassment has ceased or if any retaliation has occurred.

4.6 Multiple Listing Policies

4.6.a BILLING DATE. Billings are established and administered by ARMLS.

4.6.b MODERATORS. All Marketing Function Moderators and Coordinators shall serve at the discretion of the Marketing Tour Committee. (Rev. 9-12)

4.6.c ANNOUNCEMENTS. Marketing Function Meeting Moderators are responsible for verifying that announcements are made only by, or for, REALTORS®, Appraiser REALTORS®, Affiliate Members, or staff employees of an Association of REALTORS®.

The Moderator(s) will decide who will make a presentation. The Moderator(s) will decide if the presentation is for the benefit of the members. The Moderator(s) may require membership in an Association that is a participating member of ARMLS. (Rev. 2/00)

4.7 Award & Special Honors Policies

4.7.a SERVICE AWARDS. Awards for service to the Association shall be given to the outgoing President, President-Elect, Vice President, Directors, the REALTOR® of the Year, and all Committee Chairmen, qualifiers for the Million Dollar Producers Awards, Buddy Pylant Affiliate of the Year, REALTOR® Appreciation of the Year Award, plus other awards as approved by the President.

4.7.b MULTI-MILLION DOLLAR PRODUCER AWARDS. The Board of Directors shall award to members Multi-Million Dollar Producer Awards for proficiency in the real estate business. All policy changes shall become effective as designated by and upon approval of the Board of Directors except those changes regarding Multi-Million Dollar Producer Awards. Any changes shall become effective January 1 of the following year after approval of the Board of Directors. (Rev. 1-17)

4.7.c COMPLIMENTARY TICKETS TO OFFICERS. All Officers will receive complimentary tickets when attending *Association* social functions. (Rev. 4/99)

4.7.d INVITATION TO SEVRAR AAR & NAR DIRECTORS. All AAR or NAR Directors from SEVRAR and the Regional Vice President are to receive official invitations to attend the SEVRAR Directors' meetings immediately preceding and following the respective function of AAR or NAR for the purpose of discussing agenda items. (Rev. 1-17)

4.8 Political Candidate Policies

4.8.a All candidates for political office must have approval of the Government Affairs Committee prior to speaking at a Marketing Function meeting. This approval will be obtained through the Chairman of the Government Affairs Committee, who will receive concurrence of three other members of the Committee. In the absence of the Chairman, the Vice Chairman will follow the procedure. It will be the duty of the Chairman or Vice Chairman to give the proper notification to the Moderator.

4.8.b Candidates will be introduced by a moderator or a member of the Government Affairs Committee who must state a brief disclaimer prior to the introduction.

4.8.c If more than one candidate or just one is to address the Marketing Function meetings, the Moderator will have the option of setting the time limit for each speaker of no less than (1) one minute and no more than (3) three minutes. All candidates will be given equal time and be treated equally.

4.8.d No political endorsements shall be given without the approval of the Board of Directors and all funds that are recommended to be given to candidates must be approved by the Board of Directors and be given through the PAC.

4.9 Communication Policies

4.9.a ROSTER AND INFORMATION DISTRIBUTION. SEVRAR does not sell or distribute member information. (Rev. 8-11, 12-16)

4.9.b TITLES, USE OF OFFICIAL. Officers and/or Directors may use the title bestowed upon them by the SEVRAR Association of REALTORS® as a statement of fact.

4.9.c OFFICIAL SPOKESMAN. The President and Chief Executive Officer of SEVRAR are the only official spokesmen for SEVRAR. The President may also appoint an official spokesman on behalf of the Association. (REV. 8/96, 1-17)

4.9.d EXTERNAL COMMUNICATION POLICY. All correspondence which involves the Association's standing or reputation in the community or correspondence from any committee, or communication from any Director to an external source, or any external correspondence of a legal nature, must either be signed by the President or Chief Executive Officer of SEVRAR for the communication to be mailed. It is extremely critical that the Association knows what correspondence is being distributed which materially effects the reputation or operations of SEVRAR. (Rev. 12-16)

4.9.e SOCIAL MEDIA POLICY. This policy applies to SEVRAR Staff (employees), the Board of Directors, contractors, vendors, volunteers, members of the Association or any third party who participates in social media activities with or on behalf of the Association, such as;

- [Facebook](#)
- [LinkedIn](#)
- [Twitter](#)
- Instagram

(Rev. 1-17)

1. No expectation of privacy. All contents of SEVRAR IT resources and communications systems are the property of the Association. Therefore, staff and/or representatives should have no expectation of privacy whatsoever in any message, file, data, document, facsimile, social media post, or any other kind of information or communication transmitted, received, printed, stored or recorded on the Association's electronic information and communications systems.

2. Be honest and transparent. Social Media is no place to hide. Use your real name if you are commenting about the Association or its programs and identify yourself.

3. Make a mistake? If you make a mistake, admit it. Be upfront and be quick with your correction. For example, if you're posting to a blog, you may choose to modify an earlier post—just make it clear that you have done so.

4. Be fair. There can be a fine line between healthy debate and hysterical reaction. Do not badmouth ours or other Associations and, even more importantly, other staff, our leaders, members, and their profession in general. See if you can invite differing points of view without inflaming others. Remember that once your words are online, you can't recall them. And once an inflammatory discussion gets going, it's hard to stop.

All comments posted to SEVRAR's fan page are subject to review and removal by the page administrator at his or her discretion.

SEVRAR aims to publish all user-submitted content unless it:

1. Contains language that SEVRAR, in its sole discretion, considers offensive or inappropriate. This includes remarks that are racist, homophobic and/or sexist as well as those that contain obscenities or are sexually explicit.
2. Infringes on the trademarks or copyrights of the Association or any third parties.
3. Breaks the law or encourages others to do so. This includes respecting copyright and fair use laws. If you are talking about somebody else's work, reference that work or the person, and where possible include a link.
4. Easily identifies members and/or staff of SEVRAR or the Association in defamatory, abusive, or negative terms. Derogatory, vulgar or offensive comments and statements that are targeted at other organizations or individuals are also prohibited.
5. Does not show proper consideration for others' privacy or are considered likely to offend or provoke.
6. Is not relevant to the site or a post that is being responded to.
7. Is a commercial endorsement, including spam.

Photo / Video Disclaimer: SEVRAR reserves the right to use any photograph/video taken at any event sponsored by SEVRAR without the express written permission of those included within the photograph/video. SEVRAR may use the photograph/video in publications or other media material produced, used or contracted by SEVRAR including, but not limited to: brochures, invitations, books, newspapers, magazines, television, websites, etc.

Any person desiring not to have their photo taken or distributed must contact SEVRAR, in writing, of his/her intentions and include a photograph (so you can easily be identified – SEVRAR will use the photo for identification purposes and will hold it in confidence).

It is against SEVRAR'S policy to create your own social media page on behalf of a committee.

Committee Chairs, Vice Chairs or team representative should utilize the "official" SEVRAR social media outlets using these guidelines:

1. As the Committee/Member Focus Team representative, e-mail media@sevrar.com to be added as an authorized **administrator** of the SEVRAR Fan page. (You will be notified when you have been added.)

2. Any content you wish to publish, including news, events, invites and other information must be approved by SEVRAR **prior** to posting.
 - a. E-mail media@sevrar.com with the information you wish to post/promote. (Your administrator privileges may be revoked if you violate this policy.)
3. Absolutely NO individual or company promotion is allowed.

ROGUE PAGES. Board Members, CEO, Staff, Committee and Representatives that find an unauthorized page depicting, using or containing SEVRAR information or its brand should immediately report the page to media@sevrar.com. The Director of Information Technology will contact the party and request the immediate removal of SEVRAR's information or brand. (Rev. 12-16)

4.9.e No one shall use the SEVRAR Logo, without explicit written permission from the SEVRAR Marketing Communications Director. (Rev. 1-17)

4.10 Community Support Policies

4.10.a The incoming President shall include the annual Community Support for the upcoming year, to be approved by the Board of Directors. Individual committees shall not support their own Community Support.

4.10.b Community Support selected by the incoming President must adhere to the mission of SEVRAR.

4.10.c Community Support supported by SEVRAR shall include, but not limited to, organizations that support housing, private property ownership rights, improving the quality of life in Arizona and/or promoting the REALTOR® image.

4.10.d Funds raised through any activity will be allocated to the Community Support as approved by the Board of Directors, from the general funds. (Rev. 1-17)

4.10.e All fundraiser marketing materials and advertising shall clearly state that a “portion of the net proceeds” will be donated to said Community Support. (Rev. 8-11)

4.11 Professional Standards Policies

4.11.a DEFINITIONS. "Association" means the SouthEast Valley Regional Association of REALTORS®, Inc.

4.11.b POWER TO TAKE DISCIPLINARY ACTION. Discipline that may be imposed for a violation includes: letter of warning; letter of reprimand; requirement to attend the ethics portion of the Association's indoctrination course or another appropriate course or seminar specified by the Hearing panel that respondent could reasonably attend fine not to exceed \$15,000 (regardless of number of Articles violated); probation for one year or less; suspension for not less than 30 days, or more than one year; expulsion from membership for a period of one to three years. (Rev. 10-16)

Additionally, the Board of Directors has the option to allow the Respondent to pay a fine (not in excess of \$15,000) in lieu of suspension. However, this option may be exercised only once during any given three-year period with respect to a particular member, and may not be offered as an option if the conduct giving rise to the suspension is failure to arbitrate. (Rev.10-16)

4.11b.1 OMBUDSMAN POLICY. Boards and associations of REALTORS® are charged with the responsibility of receiving and resolving ethics complaints. This obligation is carried out by local, regional and state grievance committees and professional standards committees.

Many “complaints” received by boards and associations do not expressly allege violations of specific Articles of

the Code of Ethics, and many do not detail conduct related to the Code. Some “complaints” are actually transactional, technical, or procedural questions readily responded to.

It is the belief of the National Association of REALTORS® Professional Standards Committee that many ethics complaints might be averted with enhanced communications and initial problem-solving capacity at the local level. These ombudsman procedures, which may be adopted and utilized at the discretion of boards and associations, are intended to provide that capability.

Role of Ombuds

The ombuds role is primarily one of communication and conciliation, not adjudication. Ombuds do not determine whether ethics violations have occurred. Rather they anticipate, identify, and resolve misunderstandings and disagreements before matters ripen into disputes and possible charges of unethical conduct.

Qualification and Criteria for Ombuds

At a minimum, ombuds should be thoroughly familiar with the Code of Ethics, state real estate regulations, and current real estate practice. Ombuds must be REALTORS® of the local board/association, and meet the following standards.

- Must have a minimum of five years in the real estate business and be actively involved in real estate practice.
- Familiar with the NAR Code of Ethics, Arizona real estate statutes and regulations, and applicable MLS Rules and Regulations.
- *Primary member of SEVRAR.*
- Completed Professional Standards and Ombuds training, have served on a Grievance Committee and processed at least one complaint or have served on at least one Professional Standards hearing panel.
- Cannot be a current officer of SEVRAR (President, President Elect, Vice President, Past President or Treasurer).

Responsibilities

- Maintain confidentiality of all parties.
- Field general questions about real estate practice.
- Field general questions regarding transaction details.
- Field general questions Ethical practices.
- Field general questions options for filing complaints
- Field general questions of compliance with governing documents.

Selection and Term

Ombuds will be selected by the Professional Standards Chair and ratified by the Board of Directors. Appointment will be for a three-year term and may be renewed at the option of the Professional Standards Chair and ratified by the Board of Directors. SEVRAR will maintain a pool of at least eight (8) Ombuds to be available at all times.

Involving the Ombuds

Ombuds can field and respond to a wide variety of inquiries and complaints, including general questions about real estate practice, transaction details, ethical practice, and enforcement issues. Ombuds can also receive and respond to questions and complaints about members; can contact members to inform them that a client or customer has raised a question or issue; and can contact members to obtain information necessary to provide an informed response, with permission of the complainant.

Where an appropriately prepared written ethics complaint in the appropriate form is received, it can be initially referred to the ombuds in an attempt to resolve the matter. **EXCEPTION:** complaints alleging violations of the public trust (as defined in Article IV, Section 2 of the NAR Bylaws) may not be referred to an ombuds. “Public trust” refers to misappropriation of client or customer funds or property, willful discrimination, or fraud resulting in substantial economic harm.

In the event the ombuds concludes that a potential violation of the public trust may have occurred, the ombuds process shall be immediately terminated, and the parties shall be advised of the right to pursue a formal ethics complaint; to pursue a complaint with any appropriate governmental or regulatory body; to pursue litigation; or to pursue any other available remedy.

Right to Decline Ombuds Services

Persons filing complaints, or inquiring about the process for filing ethics complaints, will be advised that ombuds services are available to attempt to informally resolve their complaint. Such persons will also be advised that they may decline ombuds services and can have their complaint referred to ethics mediation (if available), or considered at a formal ethics hearing.

Resolution of Complaints

If the matter is resolved to the mutual satisfaction of all parties through the efforts of the ombuds, the original formal ethics complaint [if any] will continue to be processed until withdrawn by the complainant.

Failure to Comply With Agreed Upon Resolution

Failure or refusal of a member to comply with the terms of a mutually agreed upon resolution shall entitle the complainant to resubmit the original complaint or, where a formal complaint in the appropriate form had not been filed, to file an ethics complaint. The date upon which it is determined that a member is refusing to comply with the terms of a mutually agreed upon resolution shall be the “filing date” for the purpose of determining whether an ethics complaint is timely filed.

Referrals to the Grievance Committee or to State Regulatory Bodies

Ombuds cannot refer concerns about the conduct they have regarding the conduct of any party utilizing their services to the Grievance Committee, to the state real estate licensing authority, or to any other regulatory body. The prohibition is intended to ensure impartiality, confidentiality, and avoid the possible appearance of bias. Ombuds are, however, authorized to refer concerns that the public trust may have been violated to the Grievance Committee.

Suspension of filing deadlines: If the Board’s informal dispute resolution processes (e.g. ombuds, mediation, etc.) are invoked or initiated by a complainant (or potential complainant) with respect to conduct that becomes the subject of a subsequent ethics complaint, the one hundred eighty (180) day filing deadline shall be temporarily suspended beginning with the date of the complainant’s (or potential complainant’s) request for informal dispute resolution service or assistance and shall resume when the informal dispute resolution procedures are concluded or terminated. Upon completion of the ombuds communication with the complainant, ombuds will email SEVRAR’s Professional Standards Administrator a status report, indicating whether there was a resolution to the matter or if the complainant was referred back to SEVRAR’s Professional Standard Administrator for further options. SEVRAR’s Professional Standards Administrator is responsible for maintaining a record of the “suspended” time frame, and assuring that “time frame suspension” is reflected on any subsequent complaints that may be submitted by the complainant.

Questions about when information dispute resolution began or ended will be determined by the Board President or the President’s designee.

Confidentiality of Ombuds Process

The allegations, discussions and decisions made in ombuds proceedings are confidential and shall not be reported or published by the board, any member of a tribunal, or any party under any circumstances except those established in the Code of Ethics and Arbitration Manual of the National Association as from time to time amended. (Rev. 7-15)

4.11.c GRIEVANCE COMMITTEE. There shall be a Grievance Committee of at least sixteen (16) members, split

into two (2) panels with a Chair for each. A quorum shall be five (5) members, including at least one DESIGNATED REALTOR®. The Chair and Co-Chair shall be appointed annually by the President of the Association, subject to the confirmation of the Board of Directors of the Association. All committee members shall be appointed to a three (3) year term or until their appointment is vacated for any of the following reasons: (A) Election as Officer or Director of the Association, (B) Appointed to the Professional Standards Committee of the Association, (C) Termination of Membership, (D) Voluntary Resignation, (E) Dishonorable Conduct, (F) Absence from three (3) consecutive regular meetings, without an excuse deemed valid by the Chairman, shall be construed as resignation. (Rev. 6-91)

4.11.d Upon receipt of an Ethics Complaint or an Arbitration Request, the Secretary will send a copy to the Respondent(s) and their Designated Broker. The Respondents will be notified of the date of the next Grievance Committee meeting, given an opportunity to voluntarily provide a written response to the Grievance Committee, but advised of the Grievance Committee's function as similar to that of a Grand jury. A member of the Grievance Committee will be assigned to review each case prior to the meeting.

4.11.e PROFESSIONAL STANDARDS COMMITTEE. (A) There shall be a Professional Standards Committee of at least twenty-one (21) members. The Chair shall be appointed annually by the President of the Association, subject to confirmation of the Board of Directors of the Association. All committee members must have served not less than one year on a Grievance Committee. All committee members shall be appointed for a three (3) year term or until their appointment is vacated for any of the following reasons: (A) Election as an Officer or Director of the Association, (B) Appointed to the Grievance Committee of the Association, (C) Termination of Membership, (D) Voluntary Resignation, (E) Dishonorable Conduct, (F) Absence from three (3) consecutive regular meetings, without an excuse deemed valid by the Chairman, shall be construed as resignation.

Not more than one (1) member of a hearing panel shall be from the same firm. When a vacancy occurs, the President of the Association shall appoint a new member to fill the vacancy subject to the confirmation of the Board of Directors.

A Hearing Panel shall consist of at least five (5) appointees of the Professional Standards Committee. At least five (5) panel members must be present to render a decision of which at least one (1) must be a Designated REALTOR® member.

If the Respondent is a Designated REALTOR®, the panel shall consist of at least two (2) Designated REALTORS®.

Professional Standards Committee hearings shall be recorded at the expense of the Association. The transcription of the proceedings may be ordered by the Association or by the parties only for the purpose of an appeal or a procedural review. If the parties request the transcript, it will be at their expense. (Rev. 10-16).

4.11.f OPTIONAL WAIVER OF RIGHT TO HEARING POLICY. If the Grievance Committee concludes that the complaint alleges conduct which, if taken as true, could support a possible violation of the Code of Ethics, then staff or counsel, or in the absence of staff or counsel, the Grievance Committee Chairperson will ascertain whether or not there were any prior violations of the Code of Ethics in the past three (3) years. The complaint will then be sent to the Respondent together with a response form (Form #E-20, Notice to Respondent [Ethics] and Optional Waiver of Right to Hearing), which will advise the Respondent of the complaint; which will ask the Respondent to affirm that the Respondent has not been found in violation of the Code of Ethics by any Board within the past three (3) years; which will give the Respondent an opportunity to waive the right to a hearing by acknowledging the conduct alleged in the complaint and by agreeing to accept discipline which will not exceed a fine in excess of \$5,000 or suspension for a period of thirty (30) days should a violation of the Code ultimately be determined. Any response provided cannot contest the facts stated in the complaint but may offer information in mitigation of any discipline that might be imposed.

Alternatively, the Respondent has the right to a hearing pursuant to the procedures established in **Part Four** of the *Code of Ethics and Arbitration Manual*.

If the Respondent does not acknowledge the conduct alleged in the complaint or waive the right to a hearing, or does not respond within twenty (20) days from receipt of the complaint, a hearing shall be scheduled in the manner provided for in Section 21, Ethics Hearing.

If the Respondent waives the right to a hearing and acknowledges the conduct alleged in the complaint, such elections will be affirmatively indicated on the response form which shall be returned to the Grievance Committee Chairperson (or staff or counsel) within twenty (20) days from receipt of the complaint by the Respondent. The Grievance Committee Chairperson (or staff or counsel) will verify the Respondent's assertions as to prior violations in the past three (3) years. In the absence of any prior violation within the past three (3) year period, the complaint will be referred to a panel of the Professional Standards Committee for consideration within thirty (30) days. The panel shall be appointed pursuant to the procedures established elsewhere in the *Code of Ethics and Arbitration Manual*.

The panel of the Professional Standards Committee will meet in executive session. Neither the Complainant nor the Respondent will be present. Board staff and counsel will be present as deemed necessary by the Chairperson. The initial question to be determined by the panel will be whether the allegations in the complaint, as acknowledged and agreed to by the Respondent, support a violation of one or more of the Articles of the Code of Ethics. The panel shall prepare a brief, concise decision which shall include findings of fact, conclusions, and a recommendation for discipline if a violation is found. Discipline that may be imposed, if a violation is determined, may only include one or more of the following: letter of warning or reprimand, mandatory attendance at a relevant educational program, probation, suspension for thirty (30) days, or a fine not in excess of \$5,000.

The decision of the panel will be filed with the Secretary within ten (10) days after the panel's decision is final. The procedures for dissemination of the decision shall be those in Section 22(b), Decision of a Hearing Panel. Appeals of decisions shall be pursuant to Section 23, Action of the Board of Directors, of the *Code of Ethics and Arbitration Manual*. (Adopted 4/95) p) The expedited Code enforcement procedures established in the *Code of Ethics and Arbitration Manual* are available only to REALTORS® holding primary or secondary membership in the Board enforcing the Code or other membership duties and are not available to REALTORS® who become subject to the Code of Ethics or other membership duties pursuant to their participation in or access to MLS under board of choice.

Where an ethics complaint names more than one Respondent, the expedited Code enforcement procedures are available only when all Respondents are eligible and all Respondents elect to utilize these procedures.

4.11.f.1 ETHICS CITATION POLICY

I. Preliminary Procedures/Review by Grievance Committee

- A. Information about the Ethics Citation program, including the Citation Schedule, will be provided as part of the information sent to all potential complainants who are considering filing complaints through the SEVRAR Professional Standards Program.
- B. When a Grievance Panel receives a complaint, it shall review the complaint to determine if it includes allegations that are covered by the Citation Schedule. A Grievance Panel has the right to amend the complaint, adding or deleting Articles and/or Respondents, when appropriate.
 1. If the Grievance Panel, after reviewing the information presented in the complaint and, taking all information in the complaint as true on its face, determines there is not a potential violation of any Article, the complaint shall be dismissed according to the usual terms of the Code of Ethics and Arbitration Manual, preserving the complainant's right to appeal the dismissal.
 2. If the complaint does not allege a violation of an Article covered by the Citation Schedule, the complaint shall be processed according to the usual terms of the Code of Ethics and Arbitration Manual.
 3. If the complaint solely alleges the violation of an Article(s) covered by the Citation Schedule, the Grievance Panel will review the information presented in the complaint and, taking all

information in the complaint as true on its face, shall determine if there is a potential violation of the Code of Ethics. If the Grievance Panel finds a potential violation, it shall have the option to offer a citation to the respondent pursuant to Section II, below, which shall include the fine(s) and education class as established by the Citation Schedule. Or, in the alternative, the complaint may be processed according to the usual terms of the Code of Ethics and Arbitration Manual.

4. If the complaint jointly alleges the violation of an Article(s) covered by the Citation Schedule **and** the violation of an Article(s) not covered by the Citation Schedule, the Grievance Panel will review the information presented in the complaint and, taking all information in the complaint as true on its face, shall determine if there is a potential violations of the Code of Ethics.
 - a. If the Grievance Panel solely finds a potential violation of an Article(s) covered by the Citation Schedule, it shall have the option to offer a citation to the respondent pursuant to Section II, below, which shall include the fine(s) and education class as established by the Citation Schedule, but only after expiration of complainant's time for appeal of the dismissed Article(s). Or, in the alternative, the complaint may be processed according to the usual terms of the Code of Ethics and Arbitration Manual.
 - b. If the Grievance Panel solely finds a potential violation of an Article(s) not covered by the Citation Schedule, the complaint shall be processed according to the usual terms of the Code of Ethics and Arbitration Manual.

If the Grievance Panel finds a potential violation of **both** an Article(s) covered by the Citation Schedule and an Article(s) not covered by the Citation Schedule, the complaint shall be processed according to the usual terms of the Code of Ethics and Arbitration Manual.

II. Issuance of Citations

- A. The citation will be sent to the respondent, as well as to the REALTOR® Principal of the respondent's office. Notice of the citation **will not** be sent to the Complainant until after the citation has been satisfied.
 1. A copy of the complaint will be sent to the respondent Within five (5) days of receipt by SEVRAR.
- B. The respondent will have five (5) days from transmission of the citation to provide notice as to whether the respondent will accept the citation, pay the fine, and complete the sanctioned education class, or whether the respondent requests a full hearing on the complaint.
 1. If the respondent does not reply within five (5) days of transmission of the citation, the hearing process will automatically be started.
 2. Acceptance of the citation by the respondent, including education for the first offense, shall be deemed to be a final resolution of the complaint, which shall not be appealable or subject to any further review.
 3. Payment, and proof of completion of the sanctioned class, must be received by SEVRAR within sixty (60) days of the date of respondent's acceptance.
 - a. Upon receipt of payment and proof of completion of the sanctioned class, the case will be deemed to be closed. Notice will be provided to the complainant that the citation(s) has been issued and paid in full.
 - b. Failure to pay the citation amount and provide proof of completion of the sanctioned class within sixty (60) days will result in the suspension of association membership(s) and MLS privileges until such time as the citation has been paid in full.

III. Limitations

- A. Any individual REALTOR® is limited in the number and type of citations that he/she may receive, according to the following rules:
 - 1. No more than one (1) citation within a consecutive twelve (12) month period, starting with the date the first complaint was filed.
 - 2. No more than three (3) citations within a consecutive sixty (60) month period, starting with the date the **first complaint** was filed.
 - 3. No more than three (3) citations for the same Article violated at any time.
- B. Should an individual respondent exceed the limits in subsection A, above, any further complaints will be processed as a regular complaint without the opportunity to participate in the citation program. The program Administrator will review the citation history of a respondent to determine eligibility, and if the respondent is not eligible to receive a citation, the complaint will be forwarded to the Grievance Panel with a notation that the complaint is not covered by the Citation Schedule. In such an instance, the Grievance Panel will not be told any specifics of why the complaint is not eligible.
- C. To preserve an unbiased panel, prior to or during a hearing, the fact that a respondent has previously been issued a citation for any violation – whether or not it was paid – shall not be admissible in any ethics or arbitration hearing, including a hearing for a complaint where the respondent rejected a citation.
- D. Citation sanctions will remain with the respondent’s file indefinitely.
- E. After a Hearing Panel has found a violation of the Code of Ethics, then it may consider past citations paid by the respondent in establishing a sanction only if the citation was for the same violation at issue in the hearing.
- F. The Program Administrator will track the number of citations issued, the number of citations paid, and the violations for which citations were issued. This information may be provided in the aggregate but will not include details about the complaints nor identify the complainants or respondents.
- G. The allegations, discussions and decisions made in the citation process are confidential and shall not be reported or published by the board, any member of a tribunal, or any party under any circumstances except those established in Limitations, Section V of this policy and the Code of Ethics and Arbitration Manual of the National Association as from time to time amended. (Rev. 7-15)

IV. Citation Schedule

- A. The following violations are covered by the ethics citation program:
 - 1. Article 3
 - 2. Article 4
 - 3. Article 5
 - 4. Article 6
 - 5. Article 12
 - 6. Article 14
 - 7. Article 16

A Citation may contain violations of 1 or more of the covered Articles but for the purposes of fines, they shall be considered a single Citation.
- B. Fines for citations to be completed within sixty (60) days shall be as follows:
 - 1. For the first Citation, a fee of \$250. In addition, a three (3) hour education class commensurate with each Article violated.
 - a. Class to be taught by online or live instruction with proof of completion
 - 2. For the second Citation, a fee of \$500. In addition, a three (3) hour education class commensurate with each Article violated.
 - a. Class to be taught by online or live instruction with proof of completion.

3. For the third and subsequent Citations, a fee of \$1,000. In addition, a three (3) hour education class commensurate with each Article violated.
 - a. Class to be taught by online or live instruction with proof of completion. (Rev. 4-15)

4.11.g ACTION BY THE BOARD OF DIRECTORS. Per the Code of Ethics Policy statement #33 any Professional Standards matter requiring ratification or further action by the Board of Directors, will be decided by a panel of 3-5 members of the Board of Directors or Professional Standards Committee. The decision of the panel shall be final and binding and shall not be subject to further review by the Board of Directors. (Rev. 2-15)

4.11.h REQUEST FOR APPEAL (ETHICS) and REQUEST FOR PROCEDURAL REVIEW (ARBITRATION). A Request for Appeal Form must be accompanied by a deposit in the amount of \$500. A Request for Procedural Review must be accompanied by a deposit in the amount of \$500. (Rev. 12-14, 10-16)

4.11.i MANDATORY MEDIATION POLICY. Prior to an arbitration hearing being scheduled, SEVRAR members are required to attempt a mediation.

4.11.j MANNER OF INVOKING ARBITRATION. (a) Arbitration requests must be accompanied by the required deposit of \$500; (b) will be presented for determination by the Grievance Committee at the next scheduled meeting as to whether the matter is subject to arbitration

4.11.k THE ARBITRATION HEARING. The deposit of the prevailing party in an arbitration hearing shall be refunded; the deposit of the non-prevailing party shall be retained to cover the costs of arbitration. Any portion not used specifically to cover the costs of the arbitration shall go into the general operating funds of the Association. In the event the award of the arbitrators is in an amount other than that requested by any of the parties, the disposition of the deposits shall be directed by the arbitrators.

4.11.l SUBMISSION TO ARBITRATION. In the event the respondent fails or refuses to sign the Response and Agreement to Arbitrate Form (Form A-4), fails or refuses to make the required deposit, or fails or refuses to take part in the arbitration hearing, the arbitration hearing may be scheduled and conducted in the absence of the Respondent.

4.11.m ELIGIBILITY REQUIREMENT. All Professional Standards members, Directors, and Officers are required to take one(1) professional standards training class in a 12 month period. The class can be taken either at the State, National or, Local Association level. Class requirement to become effective January 1, 2008. (Rev. 2-11)

4.11.n MEDIATION OF POTENTIALLY UNETHICAL CONDUCT. Prior to, and after the Grievance Committee has forwarded an Ethics Complaint to the Professional Standards Committee for a hearing to be scheduled, the Parties shall be advised that mediation services are available.