

*St. Charles County
Association of REALTORS®*

POLICY MANUAL



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POLICY MANUAL

Foreword: The St. Charles County Association of REALTORS® is a nonprofit 501(c)6 corporation formed in 1946 as an association. Its current Mission Statement notes, “As the local voice for real estate, the St. Charles County Association of REALTORS® provides members with programs, products and services to conduct business successfully and ethically. Through legislative advocacy and public awareness, we promote private property rights, equal housing opportunity and the American Dream of real property ownership.” Real estate professionals, appraisers and affiliates comprise a diverse group of individuals that work to better the community.

It is the desire of the Board of Directors that newly elected Directors, Committee Chairs, Committee Members, MAR Directors, MAR Committee Members, and any members seeking to become involved in St. Charles County Association of REALTORS® activities will use the Policy Manual as a reference guide to understand Association expectations and operations. The Policy Manual incorporates policies and directives formally adopted by the Association from prior years of operation. As new policies and directives are adopted or revisions made, each will be entered into the Policy Manual and will include the date of enactment.

Association members, staff and volunteers understand that when they serve in positions of leadership or responsibility, they are to keep the best interests of the Association and its entire membership in mind at all times. All members are encouraged to submit policy suggestions in writing to any Director or Committee Chair.

Statement of Authority: The Board of Directors may, by a majority vote, approve policies of this Association, which define or amplify the Bylaws of the Association. Any policies, so approved, will be adopted immediately upon approval and printed in the Policy Manual of the Association. Any Director of the Association may propose policies. The Policy Manual is available to any Member [*Bylaws Article XI, Sec. 8 (04/30/03)*].

Definitions:

Agreement: Great River Region Professional Standards Agreement

Association: St. Charles County Association of REALTORS®

AEO: Assistant Executive Officer

Code: NAR Code of Ethics

Director: Board of Directors’ Member or Officer

DR: Designated REALTOR®

CEO: Chief Executive Officer

Member: Member of the Association

Manual: Policy Manual

MANUAL: NAR Code of Ethics and Arbitration Manual

MAR: Missouri Association of REALTORS®

Mark: REALTOR®, REALTORS®, and REALTOR-ASSOCIATE®

MARIS: Mid-America Regional Information Systems

NAR: National Association of REALTORS®

RULES: NAR Code of Ethics; the Association Policy Manual; and the Constitutions and Bylaws of the Association, MAR and NAR

WCR: Women’s Council of REALTORS®

PART 1: LEADERSHIP ROLES

1.1 President. The President of the Association is the chief elected officer of the organization [*Bylaws Article XI, Section 2A (04/30/03)*], and shall represent the Association as directed by the Manual, Bylaws and the Board of Directors. The Incoming President's Committee Chair selections shall be presented to the Board of Directors for confirmation. The President will also fulfill duties of the position by: (1) providing volunteer leadership to motivate both membership and staff, and promote interest and participation in the Association; (2) supporting the establishment of goals and objectives of the Association; (3) ensuring Directors are kept fully informed on the conditions and activities of the Association; (4) serving as signor on the Association checking account; (5) participating in the Strategic Planning process and Leadership Retreat, and serving as a voting member on the following committees: Board of Directors as Chair, Strategic Planning, CEO Evaluation as Chair, and a MAR committee. S/he may serve on other committees as an ex-officio, nonvoting member.

1.2 President-Elect. As an elected officer of the Association [*Bylaws Article XI, Sec. 2B (04/30/03)*], the President-Elect should have detailed familiarity with the structure and administration of the Association and should use the term as an opportunity to learn and prepare for the upcoming year as President. The Incoming President-Elect's Vice Chair selections shall be presented to the Board of Directors for confirmation. The President-Elect will, with the assistance of staff, organize and chair the Leadership Retreat, will chair the Strategic Planning process, [*BOD Minutes 09/15/04*] and serve as signor on the Association checking account. S/he will serve on the following committees: Strategic Planning (Chair), Finance, Government Affairs, SCCARPAC as Chair, and a MAR committee. S/he will also serve as one of the Association's MAR Directors.

1.3 Treasurer. The Treasurer is responsible for working with the CEO and Board of Directors to ensure the accuracy of Association financial reports and to act as a safeguard to maintain fiscal integrity in Association financial matters [*Bylaws Article XI, Sec. 2C (05/10/07)*]. The Treasurer will meet regularly with the CEO, or the Director of Finance, to review checks presented for signature, and act as co-signer on Association checks. In conjunction with the CEO, s/he will work to ensure the Association's funds are invested in a prudent manner. The Treasurer will attend the Leadership Retreat and serve as Chair of the Finance Committee and a member of the Strategic Planning Committee. S/he will assist the CEO in the Association's annual budgeting process and will work with the CEO to assist with the integration of financial planning into the strategic planning process. S/he will provide a monthly financial report to the Board of Directors. S/he will serve as one of the Association's MAR Directors and will serve on a MAR Committee.

1.4 Secretary. The Assistant Executive Officer of the Association will act as the corporate secretary of the Association. S/he will also keep the records of the Association and carry on all necessary correspondence with NAR and MAR [*Bylaws Article XI, Sec. 2E (05/10/07)*].

1.5 Immediate Past President. The Immediate Past President will provide council and guidance to allow for and support continuity in the Association. [*Bylaws Article XI, Sec. 3A3 (04/30/03)*]. S/he will serve as historian for the Association. The Immediate Past President will attend the Leadership Retreat.

1.6 Board of Directors. The Board of Directors is the governing body of the Association. [*Bylaws Article XI, Sec. 3A (2002)*]. Board members have a duty to develop familiarity with Association

policies, structure, and governing documents, including but not limited to the Bylaws, Manual, Employee Handbook, and budget. Board members agree to diligently prepare for meetings and to make decisions based on the best interest of the entire membership. Board members will keep confidential sensitive Association information and will follow the Code of Conduct (Exhibit A). *[BOD Minutes 10/25/06]* Board members agree to promote interest in the Association and willingly agree to participate in Association activities. Board members agree to publicly support decisions made by the Association and agree to remain in financial good standing with the Association. Board members will attend the Leadership Retreat. The Board of Directors will serve as an appeal panel as dictated by Association Bylaws, will ratify Professional Standards cases, and will approve the report of the CEO Evaluation Committee. Board members will serve on at least one Association Committee in addition to their service on the Board of Directors. The Board of Directors will meet monthly or as it deems necessary. *[Bylaws Article XII, Sec. 2-4 (04/30/03)]*.

1.7 State Directors. State Directors are required to attend MAR Board of Directors quarterly meetings, including the District Briefing, and vote at the Board of Directors sessions. Absence from two (2) quarterly meetings in a calendar year may result in termination as a State Director by the Board of Directors. State Directors will serve on a MAR committee or forum.

PART 2: COMMITTEES AND FUNCTIONS

2.1 Purpose. The purpose of Board-appointed committees is to act as the work groups for the Board of Directors, provide support as needed on policy-related issues, and to abide by the RULES.

2.2 Committee Membership Selection. The Incoming President and Incoming President-Elect will work together to recruit and identify initial members for committees. To encourage broad participation, committee membership is open to all Members in good standing, except as otherwise provided in the Bylaws or Manual. *[Bylaws Article XIII, Sec. 1 (04/30/03)]*.

2.3 Board Communication. If appropriate, the Chair will submit a written report to the Board of Directors in a timely manner after each committee meeting. Meeting minutes generated by staff may facilitate this reporting function. If a matter warrants such, the Chair will make him/herself available to make a brief presentation to the Board of Directors, when convenient.

2.4 Staff Liaison. The CEO will assign a staff liaison to each standing committee to facilitate committee meetings. The staff liaison will attend committee meetings and take minutes, which will then be typed for Chair review prior to the next meeting unless otherwise provided by the Bylaws.

2.5 Committee Operation. A progression from committee, forum or task force member to Committee Vice-Chair, to Committee Chair is encouraged to allow for the development and cultivation of knowledgeable leaders in the Association. Committee Chairs are expected to preside over committee meetings and provide an efficient atmosphere that is conducive to Association business. Chairs will attend training prior to the beginning of the calendar year to learn the basics of committee operations, parliamentary procedures, and the Association and will also attend the Leadership Retreat. If a Chair is absent from the Leadership Retreat or is absent from two (2) committee meetings, the Board of Directors may replace him/her as Chair.

2.6 Scheduling. Committee meeting times will be cleared through the AEO before placement on the Association's master calendar and should be set for dates reoccurring on Monday, Tuesday, Wednesday or Thursday during office hours. Major activities planned by committees will also be cleared through the AEO, who will make efforts to avoid scheduling conflicts. Committee meetings will be held at the Association offices unless otherwise determined by the President, CEO, or Board of Directors.

2.7 Notification. The President, CEO and all Members will be notified of all committee meetings, with the exception of Grievance Committee and related Professional Standards activities requiring confidentiality.

2.8 Committee Agenda and Plan of Action. The Chair will work with the designated staff liaison to develop a meeting agenda no less than three days prior to a committee meeting. At the Chair's discretion, at the beginning of the year, a simple Plan of Action may be developed that complements the Association's Strategic Plan.

2.9 Committee Action. General committee requests for staff support or Association assistance will be forwarded by the staff liaison to the CEO for review, possible execution or referral to the Board of Directors. Specific committee requests and all financial requests beyond the approved budget will take the form of a motion and be sent directly to the Board of Directors for consideration.

3 Board-Appointed Standing Committees, Committees and Forums. All standing committees, committees and forums will meet as needed and may, at their discretion, assign specific duties to task forces created by the Chair.

Standing Committees. Standing Committees are those committees mandated in the Bylaws of the Association. All members of standing committees are appointed by the President with the approval of the Board of Directors.

3.1 Bylaws/Policy. [*Bylaws Article XIII, Sec. (04/30/03)*].

3.1.1 Composition. Nine (9) members appointed by the President all being REALTOR® or REALTOR-ASSOCIATE® Members. At least five-committee members will be REALTORS®.

3.1.2 Specific Responsibilities. Review Bylaws and Policy Manual and make recommendations, as needed, to the Board of Directors. Ensure Policy Manual is consistent with Bylaws.

3.2 CEO Evaluation. [*Bylaws Article XIII, Sec. 1 (04/30/03)*].

3.2.1 Composition. The committee membership is limited to the President, President-Elect, Treasurer, and the Immediate Past President [*BOD Minutes 02/23/06*]. The President will also appoint an active past president to serve [*BOD Minutes 05/23/07*].

3.2.2 Specific Responsibilities. Evaluate CEO performance.

3.3 Finance & Budget. [*Bylaws Article XIII, Sec. 1 (04/30/03)*].

3.3.1 Composition. The committee membership is limited to the Treasurer as Chair, President and the President-Elect, and six other members serving three-year terms. These members shall be REALTOR® or REALTOR-ASSOCIATE® members of the Association; however, one member of the Committee at the President's discretion could be an Affiliate Member of the Association.

The President-Elect will appoint two members to a three-year term [*BOD Minutes 04/22/09*].

3.3.2 Term of Office. The term of office of each appointed committee member and each elected officer serving on the committee will begin at the first regularly scheduled committee meeting held after the Association's Annual Meeting and Election and will end at the last regularly scheduled committee meeting prior to the Association's Annual Meeting and Election in the year that their term of appointment ends. All retiring officers will remain members of the committee until December 31 of each calendar year [*BOD Minutes 04/22/09*]. For 2009 only, the committee members will continue serving until the end of their term which expires at the end of the calendar year [*BOD Minutes 08/19/09*].

3.3.3 Specific Responsibilities. Assist the Treasurer in fulfillment of Association duties, as requested. Review monthly interim and end-of-year financial reports to maintain a financially sound operation. Act as the financial work group for the Board of Directors. Support staff in the annual budget process and ensure it is submitted to the Board of Directors for approval by November 30 of each year. Make investment and purchase recommendations to the Board of Directors.

3.4 Grievance. [*Bylaws Article XIII, Sec. 1 (04/30/03)*].

3.4.1 Specific Purpose. Review ethical complaints and requests for arbitration, handled and governed by the MANUAL and Association policies and agreements. [*Bylaws Article VII (04/30/03)*]; *see also Agreement (09/15/02)*].

3.4.2 Composition. A minimum of ten members, including REALTOR® or REALTOR-ASSOCIATE® members, who must have at least three years experience in the real estate industry and with no more than three members from any one company, will serve for two-year terms. Members of the Board of Directors will not serve on this committee.

3.4.3 Specific Responsibilities. The Chair will oversee and coordinate the handling of all complaints, correspondence, communication and procedures to ensure it complies with the Code of Ethics and the MANUAL. All members of the Grievance Committee will attend either an annual Professional Standards training program conducted by the Association (at no charge to the attendee) or attend the Annual Professional Standards seminar offered by the Missouri Association of REALTORS® (MAR) (attendee to pay) [*BOD Minutes 01/30/09*]. If a committee member also serves on the MAR Professional Standards or Grievance Committee, s/he may use the MAR mandatory committee training, usually held the prior November, as his/her local training. [*BOD Minutes 01/27/10*]

3.5 Professional Standards. [*Bylaws Article XIII, Sec. 1 (04/30/03)*].

3.5.1 Special Governing Rules and Regional Agreement. In addition to operating in compliance with Association Bylaws and Manual, the committee will also adhere to the terms set forth in the Agreement.

3.5.2 Composition. A minimum of ten (10) members. All committee members must have served for two (2) years on the Association's Grievance Committee prior to serving on the committee.

3.5.3 Specific Responsibilities. Remain unbiased, fair and impartial in all proceedings and decision-making. Ensure compliance with the Agreement. Convene hearing panels to facilitate and participate, unless removed for conflict of interest issues, in the process set forth to handle ethics complaints and arbitration issues. All members of the Professional Standards Committee will attend either an annual Professional Standards training program conducted by the Association (at no charge to the attendee) or attend the Annual Professional Standards seminar offered by the

Missouri Association of REALTORS® (MAR) (attendee to pay). *[BOD Minutes 01/30/09]* If a committee member also serves on the MAR Professional Standards or Grievance Committee, s/he may use the MAR mandatory committee training, usually held the prior November, as his/her local training. *[BOD Minutes 01/27/10]*

Committees. Committees are created by the Board of Directors to assist in the planning and implementation of Association programs and activities. Members of committees are appointed by the President with the approval of the Board of Directors.

3.6 Membership Services/Events.

3.6.1 Composition. The committee is open to all Members.

3.6.2 Specific Responsibilities. Organize and plan general membership meetings and work on other projects as approved by the Board of Directors. Plan and coordinate the Awards Ceremony, the President's Installation, and other events.

3.7 Past Presidents. *[BOD Minutes 08/19/09]*

3.7.1 Composition. The committee is open to all Past Presidents of the Association.

3.7.2 Specific Responsibilities. Meet as needed or as they desire, for the purpose of the support of the President, the Association and the membership. The committee shall use their combined numerous years of experience in real estate sales/management and national, state, and local Association service to offer suggestions, ideas, and support in whatever way possible to advance the enthusiasm, attendance, and well being of the Association. The committee shall be available to the Association President for requested projects and shall make suggestions/furnish ideas for consideration and possible implementation to that end. They shall set their own meeting schedule, appoint a chairperson, and receive Association staff support only when necessary.

3.8 Professional Development.

3.8.1 Composition. The committee is open to all Members.

3.8.2 Specific Responsibilities. Develop training curriculum and courses that cultivate professional development, use of technology, cultural and diversity awareness; inform Members on important subjects of interest; and allow Members to maintain compliance with NAR, MAR and Missouri Real Estate Commission requirements. Encourage training in and use of the Code of Ethics.

3.9 SCCARPAC Trustees.

3.9.1 Composition. The committee is composed of seven trustees appointed by the President with the approval of the Board of Directors. Trustees shall serve staggered three-year terms. The President-Elect will serve as Chair of the Trustees. The RPAC Fundraising Chair appointed from the members of the Trustees by the President will serve as Vice Chair. The Chair of the Government Affairs Forum shall serve as a Trustee during his/her term as Chair. In addition, the President will be a member of the Trustees during his/her term of office.

3.9.2 Specific Responsibilities. Determine the distribution of funds from the St. Charles County REALTOR® Political Action Committee (SCCARPAC) to candidates for local, county and state political contributions to candidates who support the goals and objectives of the REALTOR® organization. Raise funds that enable SCCARPAC to make these contributions. Determine the amount, if any, of SCCARPAC funds to be utilized in fundraising efforts. Coordinate fundraising efforts with NAR and MAR. Recognize contributors to RPAC.

3.10 Strategic Planning.

3.10.1 Composition. The committee will be limited to the President-Elect as Chair [*BOD Minutes 09/15/04*] and include a cross-section of a maximum of fifteen (15) Members, which will include the President, Treasurer, Immediate Past President and one other member of the Board of Directors.

3.10.2 Specific Responsibilities. Establish long-range goals and objectives for the Association by involving all key stakeholders to achieve across-the-board buy-in by the entire Association. Annually review the Strategic Plan and Manual with suggested modifications sent to the Board of Directors by the August Board of Directors' meeting. The Board of Directors will forward these modifications to the Finance Committee to be incorporated into the budget planning.

Forums. Forums are open to all members of the Association. Forum meetings will be publicized to all Association members. Forums will promote Association members, activities, policies and positions. The President and President-Elect will appoint the Chair and Vice Chair of the forums with the approval of the Board of Directors.

3.11 Affiliate.

3.11.1 Composition. Forum is open to all Affiliate members. The elected Affiliate Director will serve as chair and the Affiliate Director-Elect will serve as vice chair.

3.11.2 Specific Responsibilities. A Forum for all Affiliate members to work cooperatively to support the Association, develop and maintain a speaker's resource from the Affiliate membership, assess industry-related problems, and suggest solutions to the Board of Directors. Plan membership and charitable events and assist with other events, to further the goals of the Association, and promote Association awareness among its members and the general public.

3.12 Government Affairs.

3.12.1 Composition and Specific Responsibilities. A Forum of all members to actively monitor county and local legislative issues that impact the St. Charles area real estate industry. In addition, the committee will maintain familiarity with national and state issues and utilize NAR and MAR resources to assist with these efforts. The Chair will appoint local liaisons to assist with committee work for Lincoln County, Warren County and surrounding counties, if appropriate. The forum will recommend RPAC funding to the SCCARPAC Trustees. The forum will recommend issue positions and candidate endorsement positions subject to Board of Directors' approval. The forum will recommend member participation on boards or commissions, when relevant. Reflecting the NAR and MAR models, the forum will put in place an effective Call to Action method for the Association to support and encourage member involvement in government and community issues.

3.13 Public Relations.

3.13.1 Composition and Specific Responsibilities. A Forum open to all members to work together to promote the Association, members and the real estate industry to Association members and the general public. The forum members will work with Association leadership and staff to develop and cultivate relationships with local print and broadcast media. Members will also work to develop programs and activities to publicize Association programs and activities to members.

PART 3: ADMINISTRATIVE PROCEDURES

4 **Board of Directors' Policies.**

4.1 **Special Listing.** The President is authorized to enter into MLS the St. Charles Lewis and Clark Vo-Tech School's house listing and receive any related commission.

4.2 **Solicitation of Funds.** The Association generally will not fund outside requests for financial support.

4.3 **Immediate E-Mail or Fax Approval.** When deemed necessary by the President and CEO, an e-mail or facsimile vote of the Directors is acceptable if:

- 1) no Director objects to the e-mail or facsimile vote,
- 2) all available Directors have been contacted about the issue,
- 3) response meets quorum requirements.

Confidential information as defined in the Bylaws will not be sent using this process. In the event all three of the above conditions are not met, then either a Special Board of Directors' meeting must be called to decide the issue or the decision must wait until the next regularly scheduled Board of Directors' meeting.

4.4 **Employment Contract.** The CEO's employment contract, if any, will remain confidential and only members of the Board of Directors will be privy to the contract.

4.5 **Professional Standards Training.** All members of the Board of Directors will attend either an annual Professional Standards training program conducted by the Association (at no charge to the attendee) or attend the Annual Professional Standards seminar offered by the Missouri Association of REALTORS® (MAR) (attendee to pay). *[BOD Minutes 01/30/09]*

4.6 **Investments.** A conservative approach should be taken with all Association investments.

4.7 **Terminated Employees.** Directors and staff are discouraged from contacting terminated employees to discuss matters relating to the terminated employee's prior employment or divulging information about the Association's operations or policies.

4.8 **Development.** Development provided to leaders or staff will be administered in a fair and equitable manner in a way to best benefit the Association.

4.9 **Credit Card Resolution.** The Treasurer, on behalf of the Board of Directors, shall approve the annually requested Resolution from the Association's primary credit card banking service, empowering the President, Treasurer, CEO and AEO to oversee use and issuance of credit card(s). *[BOD Minutes 04/21/04]*

4.10 **Employment Restriction.** Members of the Board of Directors will not be eligible to be considered for service as paid independent contractors or hired as employees of the Association for a period of one year after leaving the Board of Directors. *[BOD Minutes 04/21/04, 06/16/04]*

5 CEO Authority.

5.1 Emergency Situations. In the event an emergency (defined as a condition that interrupts the daily operation of the Association) arises, the CEO is authorized to take such reasonable action as is required to remedy the situation unless it involves expenditure of Association funds in excess of \$2,000 which will require action by the Board of Directors. The CEO will inform the President of such emergency as soon as possible.

5.2 Binding Agreements. The CEO, or AEO in the CEO's absence, is the only individual authorized to enter into binding legal agreements on behalf of the Association.

5.3 Professional Standards Training. The CEO and AEO will attend Professional Standards training annually.

5.4 Expenditures and Bid Process. Generally, staff will secure a minimum of three bids or quotes for capital improvements, purchases, services or leases valued over \$1,000 and will keep copies of such quotes on file for two years. Capital improvements, purchases, services or leases valued over \$15,000 will require approval by the Board of Directors prior to contract execution. Preference will be given to Affiliate Members in the bidding process.

5.5 Extra-Budget Expenditures. Expenditures beyond the approved budget require Board of Directors' approval.

6 General Operational Procedures.

6.1 Record Retention. The Association will follow MAR's Records Retention Schedule, as follows:

Accident reports and claims (settled)	7 years
Accounting ledgers and records:	
General journals, payables and receivables	7 years
General ledgers	Permanently
Bank statements reconciliation (monthly)	2 years
Cancelled checks	7 years
Charts of accounts	Permanently
Continued Education	3 years
Contracts	7 years
Correspondence:	
General	3 years
Legal	Permanently
CPA audited financial statements	Permanently
Depreciation records	Permanently
Employee personnel records (after termination)	3 years
Expense reimbursements	7 years
Financial statements (monthly)	2 years
Financial statements (year-end)	Permanently
Historical:	

Articles of Incorporation	Permanently
Bylaws and Policies	Permanently
Minutes (Directors)	Permanently
Minutes (Committees)	3 years
Issues Mobilization Political Action Committee records	7 years
Insurance policies	3 years
Inventory records	7 years
Invoice records	7 years
Membership:	
Applications (after dropped)	1 year
Directories (printed)	Permanently
Historical	Permanently
Periodic reports	Permanently
Renewals	1 year
Special status records:	
Retired, Life, REALTOR® Emeritus, Honorary, Master, etc.	Permanently
Payment records	7 years
Payroll records	7 years
Petty cash records	3 years
Postage meter records	1 year
Professional Standards records	1 year
Property appraisals by outside appraisers	Permanently
Purchase orders	7 years
REALTORS® Political Action Committee and contribution records	7 years
REALTORS® Political Action Committee tax records	Permanently
Retirement and pension plan records (under control of plan administering firm)	Permanently
Sales records (billing requests, invoices and credit card slips)	7 years
Shipping records (UPS, Federal Express, USPS, etc.)	2 years
Tax records:	
Federal returns	Until clearance
State returns	Until clearance

6.2 Memorials. Flowers or memorial tributes, not in excess of \$50, may be sent upon the death of an Association Member or a member of his/her immediate family (spouse, parent or child). Subject to funds allocation in the Association’s annual budget.

6.3 Alcohol Service. Any bar under the control of the Association at any meeting will discontinue service and close during the operation of the meeting. The closing of the bar may be excepted when an open bar is included in the event.

6.4 Advertisement Limitation. No real estate companies or parent real estate franchising companies are allowed to place recruiting advertising in any advertising venue, publication or electronic publication of the Association.

6.5 WCR Promotion. The Association will work to promote and assist WCR activities when practical and not in conflict with the Association or its goals.

- 6.6 Billing Cycle.** Where possible, billing will take place on a calendar basis.
- 6.7 Donation Recognition.** Recognition of donations is generally limited to Members, governmental or nonprofit organizations. Supplies, materials or other things received in donation from Affiliate Members will be utilized in a way to provide fair, equal exposure.
- 6.8 Loaned Items.** The Association assumes no responsibility for loaned items and storage of such materials at the Association office is generally not allowed.
- 6.9 Accounting Procedures.** The Association will keep its accounting systems in general compliance with Generally Accepted Accounting Principles (GAAP) and will have a CPA review internal procedures and controls annually to ensure continued compliance.
- 6.10 Legal Advice.** Only the President, CEO, and AEO are authorized to contact the Association attorney relating to legal matters that incur expense to the Association.
- 6.11 Facility Rental.** The CEO or AEO is authorized to schedule rental of available facilities to members for functions not in conflict with Board-approved policy. Smoking in the facility is not permitted but is allowed outside on Association property. Rental rates are as follows: Classroom = \$125 full day/\$75 half day; Boardroom = \$100 full day/\$50 half day. There will be an additional charge of \$50 for use of the Association video and/or audio equipment. Such use of Association equipment will only be allowed with staff supervision and for rentals occurring during normal Association business hours. *[BOD Minutes 12/19/07]* These figures are to be reviewed annually by the Board of Directors.
- 6.12 Community Organizations.** The Association may maintain membership through staff in the St. Charles, O'Fallon, Wentzville and St. Peters Chambers of Commerce subject to funds allocation in the Association's annual operating budget.
- 6.13 Check Signing.** All Association bills that are included in the annual budget and under \$500 will be paid through online banking including: monthly MAR and NAR payables, monthly health insurance, annual real estate tax and property tax, and the monthly credit card statement. The Director of Finance will provide a Check Register to the Finance Committee for their review each month. *[BOD Minutes 12/21/11]* Authorized signors include the President, President-Elect, Treasurer, and the CEO.
- 6.14 Vendor Insurance.** Each vendor contracted by the Association will carry insurance coverage for its employees including adequate Workers Compensation coverage, and a certificate of insurance will be kept on file at the Association.
- 6.15 Reserves.** As a part of the annual budget process, the Association will establish a cash reserve equal to a minimum of thirty percent (30%) of the anticipated annual expense. It will consist of a Primary Cash Reserve (Working Capital Reserve), Building Maintenance Reserve Fund, and a Capital Improvements Reserve Fund, subject to annual budget allocations. The Board of Directors will determine the amount of funds to be held in each Reserve Account. Any expenditure of the established reserves requires the approval of the Board of Directors. Cash Reserve funds will be conservatively invested.

6.16 Contractors. Contractors will not be paid in cash. Final payment will be disbursed to contractor upon completion of work and receipt of lien waiver and certificate of insurance.

6.17 Petty Cash. Petty cash will not be used for personal use by Members or staff.

6.18 Bonuses. Employee bonuses, if any, will be awarded by the CEO at his/her sole discretion, if there is money in the budgeted salary account to cover the bonuses. Any bonuses to the CEO or bonuses requiring non-budgeted funds must be approved by the Board of Directors and all bonuses must go through the payroll process in order to maintain proper accounting and employer/employee tax records.

6.19 Antitrust. The Association may not play any role in the competitive decisions of its members, nor in any way restrict competition among members or potential members. Rather, it serves as a forum for a free and open discussion of diverse opinions without in any way attempting to encourage or sanction any particular business practice.

The Association provides a forum for exchange of ideas in a variety of settings including its annual meeting, educational programs, committee meetings, and Board meetings. The Board of Directors recognizes the possibility that the Association and its activities could be viewed by some as an opportunity for anticompetitive conduct. Therefore, this statement supports the policy of competition served by the antitrust laws and to communicate the Association's uncompromising policy to comply strictly in all respects with those laws.

While recognizing the importance of the principle of competition served by the antitrust laws, the Association also recognizes the severity of the potential penalties that might be imposed on not only the Association but its members, as well in the event that certain conduct is found to violate the antitrust laws. Should the Association or its members be involved in any violation of federal/state antitrust laws, such violation can involve both civil and criminal penalties that may include imprisonment for up to three (3) years as well as fines up to \$350,000 for individuals and up to \$10,000,000 for the Association, plus attorney fees. In addition, damage claims awarded to private parties in a civil suit are tripled for antitrust violations. Given the severity of such penalties, the Association intends to take all necessary and proper measures to ensure that violations of the antitrust laws do not occur.

To ensure that the Association and its members comply with antitrust laws, the following principles will be observed:

- The Association or any committee, section, chapter, or activity of the Association shall not be used for the purpose of bringing about or attempting to bring about any understanding or agreement, written or oral, formal or informal, expressed or implied, among two or more members or other competitors with regard to prices or terms and conditions of contracts for services or products. Therefore, discussions and exchanges of information about such topics will not be permitted at Association meetings or other activities.
- There will be no discussions discouraging or withholding patronage or services from, or encouraging exclusive dealing with, any supplier or purchaser or group of suppliers or purchasers of products or services, any actual or potential competitor or group of actual potential competitors, or any private or governmental entity.

- There will be no discussions about allocating or dividing geographic or service markets or customers.
- There will be no discussions about restricting, limiting, prohibiting, or sanctioning advertising or solicitation that is not false, misleading, deceptive, or directly competitive with Association products or services.
- There will be no discussions about discouraging entry into or competition in any segment of the marketplace.
- There will be no discussions about whether the practices of any member, actual or potential competitor, or other person are unethical or anticompetitive, unless the discussions or complaints follow the prescribed due process provisions of the Association's Bylaws.
- Certain activities of the Association and its members are deemed protected from antitrust laws under the First Amendment right to petition government. The antitrust exemption for these activities, referred to as the Noerr-Pennington Doctrine, protects ethical and proper actions or discussions by members designed to influence: 1) legislation at the national, state, or local level; 2) regulatory or policy-making activities (as opposed to commercial activities) of a governmental body; or 3) decisions of judicial bodies. However, the exemption does not protect actions designed to cover up anticompetitive conduct.
- Speakers at committees, educational meetings, or other business meetings of the Association shall be informed that they must comply with the Association's antitrust policy in the preparation and the presentation of their remarks. Meetings will follow a written agenda approved in advance by the Association or its legal counsel.
- Meetings will follow a written agenda. Minutes will be prepared after the meeting to provide a concise summary of important matters discussed and actions taken or conclusions reached.

At informal discussions at the site of any Association meeting all participants are expected to observe the same standards of personal conduct as are required of the Association in its compliance.

6.20 Candidate Endorsement. The Government Affairs Forum may recommend the Association's formal endorsement of candidates for state, local or federal office. Upon Board of Director approval, the Association will publicize its endorsement to members through all available electronic communication. Endorsed candidates may also receive the electronic Association roster including e-mail addresses.

6.21 Green Policy. The Association is committed to preserving our environment for future generations. In keeping with its mission of being wise stewards of both natural resources and Association resources, the following procedures will be followed by Association leadership, committees, volunteers and staff.

6.21.1 Committee Procedures. An "action agenda" will be printed for the Board of Directors and all committees. All supporting materials for the agenda will be electronically delivered to Directors or committee members prior to the meeting for their review. These documents, if necessary, will be projected and displayed electronically at the meeting. Members are welcome to

bring portable computers or other electronic devices to the meetings and will be given access to the Association's wi-fi network. Documents that cannot be safely transmitted electronically may be printed for members if necessary for Board or committee operations.

6.21.2 Education. The Association will only provide printed handouts or materials necessary for the completion of the course, i.e., quizzes and other question-related materials. Additional materials will be printed when deemed necessary by the instructor or Association staff, or required by Missouri Real Estate Commission regulations. Supporting course materials, such as PowerPoint presentations, will be made available on the Association website. Students will be permitted to utilize computers or other electronic devices during the class to view course materials and to take notes, in accordance with Missouri Real Estate Commission regulations.

6.21.3 Event and Class Promotions. The Association will utilize all electronic mediums available to promote Association events, classes and other activities. Flyers will be prepared by Association staff and electronically transmitted to membership. Only flyers deemed necessary by Association leadership or staff for special presentation or marketing efforts will be printed.

6.21.4 Recycling. The Association will encourage recycling of all non-confidential office paper and other materials whenever possible.

6.21.5 Billing. All Association invoices will be transmitted electronically to all members. Members will be required to provide the Association with a valid e-mail address for this purpose. An annual fee, established by the Board of Directors, will be charged to any member who requests to receive their invoices through the U.S. Postal Service.

7. Meeting and Committee Procedures.

7.1 Event Scheduling. Scheduling of major Association, NAR, MAR or WCR events on the same day should be avoided.

7.2 REALTOR® Only Meetings. REALTOR® Only meetings will be held annually unless otherwise specified by the Board of Directors.

7.3 Past Presidents. Past Presidents will be invited to attend the REALTOR® Only meetings.

7.4 Awards.

7.4.1 Award Selection Committees. "REALTOR® of the Year", "REALTOR-ASSOCIATE® of the Year," "Rookie of the Year," and "Affiliate of the Year" award selection committees, which select the upcoming recipients, will be comprised of the last four (4) award winners, with no more than one person from any one company, and three at-large members appointed by the President. The past award winners of the REALTOR® and REALTOR-ASSOCIATE® of the Year will be eligible to serve on the new REALTOR® Salesperson of the Year selection committee. *(BOD Minutes 12/16/09)*

7.4.2 Award Levels. *(BOD Minutes 12/16/09)*

\$1 Million Award: Awarded to members who have achieved at least \$1,000,000 in Sales Volume.

Bronze Award of Excellence: Awarded to members who have achieved from \$2,000,000 to \$4,999,999 in sales volume or 24-49 units sold.

Silver Award of Excellence: Awarded to members who have achieved from \$5,000,000 to \$9,999,999 in sales volume or 50-74 units sold.

Gold Award of Excellence: Awarded to members who have achieved from \$10,000,000 to \$14,999,999 in sales volume or 75-100 units sold.

Diamond Award of Excellence: Awarded to members who have achieved \$15,000,000 or more in sales volume or 100 or more units sold.

Three sets of awards are to be given in the Bronze, Silver, Gold and Diamond categories. They are for individual agent, assisted (two agents), and team (three or more agents). The top individual agent, top assisted agent and top team receive special recognition. *(BOD Minutes 12/16/09)*

7.4.3 Recognition Awards. Awards may be granted in the following categories: Affiliate of the Year, Rookie of the Year, REALTOR-ASSOCIATE® of the Year, and REALTOR® of the Year Award.

7.4.3.1 REALTOR-ASSOCIATE® of the Year Award. All REALTOR-ASSOCIATE® members of the Association are eligible for this award. The Association will utilize the MAR REALTOR® Salesperson of the Year application form for this award.

7.4.3.2 REALTOR® of The Year Award. All REALTOR® members of the Association will be eligible for this award. The award will be given to a member who has given exceptional service to their company, REALTOR® organization and/or the community. Nominations will be sought each year for this award and the award will be given if, in the opinion of the selection committee, there is a nominee recommended who merits the award. The same form that is utilized for MAR REALTOR® of the Year nominations will be utilized for applications for this award. *(BOD Minutes 12/16/09)*

7.4.5 MAR Award Nomination. The Association will automatically nominate each winner of the REALTOR® of the Year Award and the REALTOR-ASSOCIATE® of the Year Award for the MAR REALTOR® of the Year and REALTOR® Salesperson of the Year Awards. *(BOD Minutes 12/16/09)*

7.4.6 Award Deadlines. The deadlines for sales awards and REALTOR® recognition awards will be moved to January 31 to allow time for the selection process, plaque ordering, etc. to allow for a first quarter Banquet. *(BOD Minutes 12/16/09)*

7.4.7 Award Recipients. Awards are limited to Members in good standing unless posthumous.

7.5 Attorney Meeting Notification. The Association attorney will be provided reasonable notice of Board of Directors, REALTOR® Only, and Special Board of Directors' meetings.

7.6 Event Budget Submission. All events not already included in the budget must have an estimated budget submitted to the Board of Directors prior to event scheduling and/or any expenses incurred.

7.7 Report of Profitability. A report illustrating revenue versus expense will be produced for the Board of Directors to show the net revenue or net loss from each major program or event within 45 days of the conclusion of the program or event.

7.8 Nonmember Attendance. Individuals not holding a membership in the Association may attend events and participate in certain membership activities or promotions. A higher fee may be charged to nonmembers. Members may bring guests to events and not be charged a higher fee if the guests are reasonable in number. Members of other REALTOR® Associations may be assessed a service fee for purchased services. [*See Board of Choice Attachment to Bylaws (03/27/02)*].

7.9 Missed Meetings. Directors and committee members missing meetings paid for by the Association will not be reimbursed for related expenses and will be responsible for reimbursing the Association for related registration fees and other expenses.

7.10 Member and Guest Attendance at Meetings. All meetings, except Grievance Committee, Professional Standards Committee, and closed membership committees and work groups, are open to the Members of the Association and guests invited by the chair, unless specifically closed by the chair for executive session. In order to facilitate meetings, each Member or guest will be allowed to address the meeting after first stating his/her name, membership status or guest affiliation, and general topic of his/her comments. Any such speaker who wishes to make comments will do so at the designated time at the beginning of the meeting prior to the business portion of the meeting. Each speaker will be provided up to three (3) minutes per meeting.

7.11 Joint Membership Meetings. All general membership meetings that are joint meetings will have everything in writing prior to any commitment being made. [*BOD Minutes 10/15/08*]

7.12 Finance Meetings. Finance Committee meetings will not take place prior to the tenth (10th) of each month.

8 Membership Services Policies.

8.1 New Member Approval. New Member applicants will be forwarded to the Board of Directors for approval.

8.2 New Member Orientation. New REALTOR®, REALTOR-ASSOCIATE®, and Designated REALTOR® applicants will be required to attend New Member Orientation classes within ninety (90) days [*BOD Minutes 09/15/04*]. A new Member applicant's failure to attend New Member Orientation classes will be reported to his/her DR after the second opportunity has passed and will be assessed as a nonmember licensee. The DR will have three (3) working days to: (a) pay the assessed dues, (b)

terminate affiliation with the applicant, or (c) file a written appeal to the Board of Directors.

8.3 Temporary DR Membership Services. DR applicants will be provided full Association services for a maximum of thirty (30) days or until the applicant's status has been approved or disapproved by the Board of Directors. If disapproved, the all Association services to the DR applicant will immediately cease.

8.4 Reapplication for Membership. Members who have been dropped from membership will be required to apply for reinstatement and pay a reinstatement fee of \$25.

8.5 Nonrefundable Application Fee. Application fees are nonrefundable.

8.6 Transfer Fee. If a company is purchased by or merges with another company, or elects to change the company name or franchise affiliation, the company will be charged Transfer Fees as follows:

NUMBER OF AGENTS	COMPANY CHARGE
1-50	\$ 50
51-100	\$ 100
101-500	\$ 500
501 plus	\$1,000

Members voluntarily electing to transfer or change from one firm/office to another will be charged a transfer fee of \$25. [BOD Minutes 06/18/03] This transfer fee shall be waived for members transferring from another REALTOR® organization or who are applying for secondary membership, or at the discretion of the CEO. All transfers, waivers, etc. are to be submitted to the Association no later than the close of business on the 25th day of the month to avoid MARIS charges for the upcoming month.

8.7 Membership Rosters. A free printed office address roster of Association Members is available to Members only, upon reasonable request. The electronic email roster of Association Members who have not opted out of the email roster is available to Members who agree to and sign the Electronic Roster Request/Agreement for \$100. [BOD Minutes 01/30/09] Distribution to or use of the membership roster by nonmembers is strictly prohibited.

8.8 Reservations and Cancellation. Members making reservations for events and activities will be billed regardless of Member attendance. Refunds will not normally be allowed except at the discretion of the CEO.

8.9 Service Charge. A service charge of 1 ½ percent per month will be charged on all accounts over thirty (30) days in arrears. An additional \$10 will be added to this charge, per invoice as an administrative fee.

8.10 Dues Nonrefundable. Membership dues are not refundable.

8.11 Dues Late Fee. The Association will assess a \$100 late fee on all delinquent dues payments, which must be paid, along with the dues, before the member is reinstated.

8.12 Returned Check. The Association will assess a \$25 fee for returned checks.

8.13 Sponsorship Payment. All sponsorships and advertisements will be paid in advance.

8.14 SUPRAKey Issuance. A SUPRAKey may be issued to a new member applicant once s/he has completed application, paid dues and presented ID and work permit (work permit not applicable to Affiliate new member applicants).

9 Nominations/Election Procedures.

9.1 Affiliate Director-Elect. Nominations for Affiliate Director-Elect will be accepted and handled along with other nominations. The Affiliate Director-Elect will make the transition to Affiliate Director the following year and to step up if the Affiliate Director would be unable to fulfill his/her duties. The Affiliate Director-Elect may attend Board of Directors' meetings. *[BOD Minutes 07/21/04]*

9.2 Member Involvement and Education. All approved candidates will be asked to submit a 300-word or less real estate industry-related biography, in single-space paragraph format, and photo to the Association within two weeks of the Board's approval of the slate of candidates. *[BOD Minutes 07/15/09]* This biographical information/photo will be published electronically prior to the election. All efforts will be made to encourage participation of candidates and of Members in the nomination and election process.

9.3 Ballot Process. Ballots will be available for Members at the Association office during office hours beginning ten (10) business days prior to the Annual Meeting and through the Association's website. Voting will continue at the Annual Meeting until the Annual Meeting is called to order, or until a time specified by the Board of Directors. The CEO and AEO will form a task force which will include the Immediate Past President and two additional past presidents of the Association. This task force will be responsible for counting the election ballots with the assistance of the CEO and AEO. *[BOD Minutes 04/19/06]*

9.4 Company Limitation Procedures. *[BOD Minutes 04/19/06]* The number of representatives from each company on the Board of Directors is limited by Article XI, Section 3 of the Association Bylaws. If a company is already guaranteed the maximum representation in the coming year, the CEO and AEO will reject the nominations of any additional individuals from that company for positions as an officer or member of the Board of Directors. In all other cases, the CEO and AEO shall not reject any nominations from members associated with a particular company, even if this results in more individuals standing for election than can be elected from that company. In these cases, the following procedures will be followed by the Association:

1) The Ballot Counting Task Force will first look at the officers of the Association up for election in the following order: President-Elect and Treasurer (i.e., a candidate from a particular company who wins election for the position of President-Elect will be considered elected first, followed by candidates from that company for the other officer positions and director positions until the company's representation limitation is reached).

2) In the event that members from a particular company win the election to positions that he or she cannot hold due to the representation limitation, the next highest vote getter for that officer or director position will be considered elected.

9.5 Vacancies. Any vacancies on the Board of Directors, including any that may occur due to a seated director being elected to an officer position, will be appointed by the Board until the next election. At the next election, there will be an election for that director's position. The term of that position will be for the remainder of the original director's term, and not for a new three-year term. *[BOD Minutes 09/15/04]*

10 Travel and Reimbursement.

10.1 General Policy. It is understood that individuals sent by the Association to attend a conference or meeting should make reasonable efforts to attend appropriate forums and participate in activities that will allow the individual, and thereby the Association, to benefit from the experience. It is assumed the individuals listed below will attend the events or activities for which the Association has established reimbursement policies. Written reports to the Board of Directors or CEO are encouraged. Travel advances will generally not be provided.

10.2 Travel Reimbursement. Individuals representing the Association at events or activities, as noted in Section 10 of the Manual, requiring travel will be reimbursed at a maximum rate of \$75 per day for meals, with the exception of State Directors, any Association members serving as MAR Committee Chairs, and any Association members appointed or elected to the MAR Executive Committee who receive a flat rate of reimbursement as noted in Section 10.5, and will be based on a completed Association Request for Reimbursement accompanied by supporting receipts. Reimbursement for any cash item submitted without a receipt, except incidentals, will not be allowed. Reimbursement for meals at NAR Meetings will be at a rate of \$100 per day, unless specified otherwise in the Association's Annual operating budget, due to the higher costs associated with the cities these two events are held. *[BOD Minutes 10/20/04]* Reasonable registration, lodging and transportation expenses will be paid directly by the Association or reimbursed within thirty (30) days of receipt of a completed Request for Reimbursement accompanied by supporting receipts. Reimbursement reports for budgeted trips must be submitted within 30 days of the trip. *[BOD Minutes 11/24/09]* Mileage reimbursement for use of personal automobile for business travel will be at a rate equal to that received by GSA federal employees and must be submitted on Mileage Log form on a quarterly basis, at a minimum, and within 30 days following each quarter. *[BOD Minutes 11/24/09]* Request for Reimbursement forms submitted in excess of thirty (30) days following completion of travel may be denied.

10.3 President. The Association will pay for or provide the following for the President: (a) one ticket to each event and the Annual Meeting; (b) two tickets to the President's Installation and Awards Ceremony; (c) reasonable meals, lodging and transportation expenses associated with the NAR Midyear Meeting and Annual Convention; and (d) reasonable meals, lodging and transportation expenses associated with the MAR Board of Directors' Business Conferences, Capitol Conference, and other functions of MAR or other area Associations.

10.4 President-Elect. The Association will pay for or provide the following for the President-Elect: (a) one ticket to each general membership meeting and the Annual Meeting; (b) two tickets to the Awards Ceremony and President's Installation; (c) reasonable meals, lodging and transportation expenses associated with the NAR Midyear Meeting, Leadership Summit including President-Elect Training, and Annual Convention; (d) reasonable meals, lodging and transportation expenses associated with the MAR Board of Directors' Business Conferences, Capitol Conference, and other functions of

MAR or other area Associations.

10.5 State Directors and MAR Executive Committee Members. Reasonable compliance with Manual requirements will allow each State Director, any Association members serving as a MAR Committee Chair, and any Association members appointed or elected to the MAR Executive Committee to earn a reimbursement amount of \$200 per MAR Business Conference. Said reimbursement will only be paid to Directors who are serving on at least one committee and attend a committee meeting, the district briefing session and the Board of Directors' meeting, and file a report with the Board of Directors on the meetings attended. Lesser compensation amounts may be established by the Board of Directors due to budget constraints or the location of the meetings. Reimbursement is subject to all provisions of the RULES, the Manual and the MANUAL. President, President Elect, staff, and anyone who has 100 percent of their expenses covered by another organization are not eligible for this form of reimbursement. Upon receipt of the State Director Reimbursement Request, reimbursement checks will be issued to State Directors who attended the required meetings. All checks will be issued through the Association's payroll service and a 1099 form will be issued to each recipient at the end of the calendar year. Reimbursement will not be paid for reports submitted later than thirty (30) days after the MAR Board of Directors' meeting. *[BOD Minutes 10/25/06]*

10.6 CEO. The Association will pay for or provide the following for the CEO: (a) a minimum of one ticket/meal for Association events and activities attended; two tickets to the Awards Ceremony and President's Installation; (b) reasonable meals, lodging and transportation expenses associated with the NAR AE Institute, Midyear Meeting, Leadership Summit, and Annual Convention; and (c) reasonable meals, lodging and transportation expenses associated with the MAR Board of Directors' Business Conferences, Capitol Conference, AE Retreat, and other functions of MAR or other area Associations.

10.7 Staff. The Association will pay for or provide meals and/or tickets as needed for events or activities attended by staff. Staff will also be provided mileage reimbursement at a rate equal to that received by GSA federal employees and must be submitted on Mileage Log form on a quarterly basis, at a minimum, and within 30 days following each quarter. *[BOD Minutes 11/24/09]*

11. Professional Standards Administration. The Association will abide by the MANUAL and the Agreement in Professional Standards matters. *[BOD Minutes 03/22/06]*

11.1 Tape Recordings. The Association will allow parties to tape record proceedings.

11.2 Administrative Processing Fee. In addition to the discipline imposed, the Association will impose an administrative processing fee in the amount of \$500 against the respondents found in violation of the Code of Ethics or other membership duties.

11.3 Hearing Panel Packets. The Association will continue to send the complaint and response to Hearing Panel members a minimum of ten days prior to the hearing.

11.4 Expedited Hearings. The Association will continue to offer the expedited hearing procedures.

11.5 Ethics Appeal Deposit. The Association will charge \$250 for an ethics appeal deposit. If the recommendation of the hearing panel is adopted, the money deposited by the appellant shall pass into the general treasury of the Association/Board. If the recommendation is rejected, the deposit shall be

returned to the party who made the deposit. If the recommendation is modified, the Directors shall determine the disposition of the deposit.

11.6 Voluntary Arbitration. The Association will not offer voluntary arbitration.

11.7 Arbitration Filing Fee. The Association will charge a \$500 arbitration filing fee.

11.8 Absence of Respondent in Arbitration. The Association will continue with its policy that in the event that the respondent fails to sign and return the Arbitration Response and Agreement Form, or 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 (*Option 3 in 2006 CEAM*).

11.9 Arbitration Award. If an arbitration award has been rendered, the non-prevailing party must, within ten (10) days following receipt of the award, (1) pay the award to the party(ies) named in the award or (2) deposit the funds with the Association Secretary or Executive Officer to be held in a special Association escrow account maintained for this purpose. Failure to satisfy the award or to deposit the funds with the Association within this time period may be considered a violation of a membership duty and may subject the member to disciplinary action at the discretion of the Board of Directors.

The non-prevailing party shall have twenty (20) days following service of the award to request procedural review of the arbitration hearing procedure or to have legal counsel notify the Association Secretary or Executive Officer that a legal challenge to the validity of the award has been initiated.

If a request for limited procedural review of the arbitration procedure is received within twenty (20) days, the funds deposited with the Association shall be retained in the Association's escrow account until the review is completed. If the arbitration award is confirmed by the Board of Directors following the conduct of the limited procedural review, the non-prevailing party shall have an additional fifteen (15) days to institute an appropriate legal challenge to the validity of the arbitration award. In such case, the non-prevailing party shall also cause legal counsel to advise the Association in writing that a suit challenging the validity of the arbitration award has been filed during this additional fifteen (15) day period. After fifteen (15) days, if written notice of a suit challenging the validity of the arbitration award has not been received by the Association, the funds shall be released from escrow and paid to the prevailing party. If written notification is received during the fifteen (15) day period, the funds will be held in escrow pending the determination of the matter by a court of competent jurisdiction.

If the non-prevailing party does not request the Association to conduct a procedural review of the arbitration hearing process during the twenty (20) day period following service of the award, then written notification that a legal challenge has been instituted must be received within the twenty (20) days following service of the award. Failure to provide written notification that a suit challenging the validity of the award has been filed within twenty (20) days following service of the award will result in the award being paid from the Association's escrow to the prevailing party.

Any failure to make the necessary deposits with the Association shall be referred to the Board of Directors for action at their next meeting or at a special meeting called for that purpose. The party failing to make the deposit on a timely basis shall be advised of the date, time, and place of the meeting and shall have an opportunity to explain why the required deposits were not made on a timely basis. The

Board of Directors may, at its discretion, impose discipline or may give the party an additional period to make the required deposits. The Directors may also stipulate appropriate discipline to be automatically imposed if the party fails to make the deposit within the time established by the Directors.

Any interest accrued on the escrowed funds shall become the property of the party to whom the funds are ultimately released by the Association.

11.10 Procedural Review in Arbitration Filing Fee. The cost to file a request for procedural review of arbitration hearing procedures shall be \$250 (nonrefundable).

***THEREFORE,** the Association fully adopts the foregoing statements as its Manual on this Twenty-first day of December, in the Two Thousand and Eleventh year of our Lord.*

SIGNED:

GWEN WALTERS
SECRETARY

**ST. CHARLES COUNTY ASSOCIATION OF REALTORS®
Code of Conduct**

Introduction

Members of the Board of Directors and staff carry certain duties and responsibilities for the well being of the Association. The Code of Conduct outlines some of those duties and responsibilities in accordance with the Bylaws and policies of the Association.

Confidentiality

Board members and staff will have access to information, that if revealed to outsiders, could be damaging or sensitive to other members or staff, harmful to the best interests of the organization, or even create legal liability. Information provided to the Board and staff may concern personnel, financial, contractual, membership or legal matters. It will often be confidential and is intended for use in decision making and governance. Information shall be held in the strictest of confidence and shall not be divulged to any outside party, including other members, without authorization of the Association President or Chief Executive Officer.

Conflicts of Interest

Board members and staff members owe a high fiduciary duty to the organization. Thus, no Board or staff member shall maintain any business enterprise or other activity that directly conflicts with the interests of the organization.

Violations

Violations of the Code of Conduct may result in disciplinary action in accordance with the governing documents. Discipline may include removal of a Board member from office or termination of a staff member.

Acknowledgement of Receipt

I acknowledge that I have received and read a copy of the Code of Conduct and that I am responsible for compliance.

Signature

Date