



# OREGON REALTORS® GOVERNANCE POLICY MANUAL

Approved by the Board of Directors

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**TABLE OF CONTENTS**

**SECTION 1**..... 4

**INTRODUCTION** ..... 4

**1.1 OREGON REALTORS® MEETINGS**..... 4

**1.2 STANDING POLICIES FOR THE BOARD OF DIRECTORS** ..... 5

**1.3 COMPLIANCE GUIDELINES FOR THE BOARD OF DIRECTORS** ..... 7

**1.4 CONFLICT OF INTEREST**..... 7

**1.5 NAR DIRECTOR POLICIES & PROCEDURES** ..... 9

**SECTION 2** ..... 11

**2.1 KEY & SPECIAL COMMITTEES OF OREGON REALTORS®** ..... 11

**2.2 STANDING POLICIES OF COMMITTEES & TASK FORCES** ..... 12

**2.3 EXECUTIVE COMMITTEE** ..... 14

**2.4 BUSINESS ISSUES KEY COMMITTEE**..... 16

**2.5 GOVERNMENT AFFAIRS KEY COMMITTEE**..... 17

**2.6 Political Affairs Key Committee** ..... 18

**2.7 PROFESSIONAL DEVELOPMENT KEY COMMITTEE** ..... 19

**2.8 DIVERSITY KEY COMMITTEE** ..... 20

**2.9 ELECTIONS COMMITTEE** ..... 21

**2.10 OREGON REALTORS® POLITICAL ACTION COMMITTEE (ORPAC)**..... 22

**2.11 REALTOR® OF THE YEAR (ROTY) & DISTINGUISHED SERVICE AWARD (DSA) COMMITTEE**..... 22

**2.12 LEGAL ACTION COMMITTEE**..... 23

**2.13 STRATEGIC PLANNING COMMITTEE** ..... 24

**2.14 ISSUES MOBILIZATION COMMITTEE**..... 24

**2.15 STATE PROFESSIONAL STANDARDS COMMITTEE** ..... 25

**2.16 FINANCE REVIEW COMMITTEE**..... 26

**2.17 ECONOMIC DEVELOPMENT COMMITTEE**..... 27

**2.18 SAFETY COMMITTEE** ..... 28

**SECTION 3** ..... 29

**3.1 ANNUAL CHRONOLOGICAL TIMELINE**..... 29

**3.2 BUDGET PROCESS** ..... 29

**3.3 GENERAL FINANCIAL OPERATING GUIDELINES** ..... 30

3.4	Internal Financial Controls .....	34
3.6	Travel Policy .....	37
3.7	Designated Funds .....	43
3.8	Financial Policies .....	44
SECTION 4 .....		46
4.1	AUTHORIZED SPOKESPERSON.....	46
4.2	SOLICITATION.....	46
4.3	MAILING LISTS .....	46
4.4	COMMITMENT TO FREE TRADE & COMPETITION .....	46
4.5	NOTIFICATIONS .....	48
4.6	WHISTLE BLOWER POLICY .....	48
4.7	ACCESS TO LEGAL COUNSEL.....	49
4.8	AFFINITY PROGRAMS, PRODUCTS & SERVICES .....	49
4.9	National Association of REALTORS® Regional Vice President Support .....	50
4.10	REGION 12 NOMINATING COMMITTEE, REGIONAL STRATEGIC PLANNING, AND FINANCE COMMITTEE APPOINTMENTS .....	50
4.11	ENDORSEMENT OF CANDIDATES FOR THE NATIONAL ASSOCIATION OF REALTORS® OFFICE.....	50
4.13	POLICY FOR STATE PROFESSIONAL STANDARDS HEARING .....	52
4.14	SEXUAL HARASSMENT .....	52
4.15	NONDISCRIMINATION.....	53
4.16	USE OF CELL PHONES WHILE DRIVING .....	53
4.17	MEDIA COOPERATION.....	54
4.18	PUBLIC REQUESTS FOR REFERRALS .....	54
SECTION 5 .....		55
BOARD OF DIRECTORS' COMPLIANCE CODE .....		55

## SECTION 1 OREGON REALTORS® GOVERNANCE POLICIES

### INTRODUCTION

Oregon REALTORS® (the Association) was established in 1932 to organize the real estate profession in Oregon. The Association has gone by different names over the years including the Oregon Real Estate Boards, the Oregon Association of REALTORS® and now Oregon REALTORS®. Today, the Association is the REALTORS® real estate business advocate, a force for education and a legislative advocate for free enterprise and private property rights in Oregon.

The core purpose of the Association is to enhance its members' freedom and ability to conduct their individual real estate related businesses ethically and competently; and, to promote and preserve private property rights. Oregon REALTORS® recognizes, in its Bylaws, the latest edition of Robert's Rules of Order as the authority governing all meetings and conferences when not in conflict with the Oregon Nonprofit Act (ORS 65.001 et seq.), the Articles of Incorporation, or the Restated and Amended Bylaws of the Association.

Policies may be recommended to the Executive Committee by any member of the Board of Directors or by the Chief Executive Officer. All policies shall become effective upon adoption by the Executive Committee but are subject to approval by the Board of Directors at the next scheduled Directors meeting. All policy statements shall be reviewed and adopted by the Executive Committee and approved by the Board of Directors each year; however, approved policy statements from one year shall remain in effect until the policy statements for the following year are adopted by the Executive Committee.

Finally, Oregon REALTORS® is subject to all provisions of local, state, and federal law and regulation applying to professional, trade, tax-exempt, nonprofit 501(c)(6), corporations.

### 1.1 OREGON REALTORS® MEETINGS

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All Oregon REALTORS® Board of Directors, Key Committee, and Special Committee meetings, except for ORPAC Trustees, Elections, REALTOR® of the Year, Legal Action, Finance Review, and Executive Committee meetings, shall be open to any members who wish to attend. If, during any such open meeting, an issue should arise which requires confidentiality to protect the

legitimate goals or interests of the Association, the meeting may be closed to address the confidential issue upon the call for, and majority vote in favor of, closing the meeting.

Members may attend meetings of ORPAC Trustees, Elections, REALTOR® of the Year, Legal Action, Finance Review, and the Executive Committee, respectively, only upon receiving the prior approval of the President. Further, members may attend meetings of any Presidential Advisory Group, Work Group or subcommittee appointed through ORPAC Trustees, Elections, REALTOR® of the Year, Legal Action, Finance Review, and the Executive Committee only upon receiving the prior approval of the President. If, during any such meeting during which a member or members have been granted authority by the President to attend, an issue should arise which requires confidentiality to protect the legitimate goals or interests of the Association, the meeting may be closed to address the confidential issue upon the call for, and majority vote in favor of, closing the meeting.

All such meetings will be closed to any person who is not a member, Affiliate member, Institute Affiliate member, Honorary member, REALTOR® Emeritus member or Association Executive member as defined in the Bylaws, without first receiving the prior approval of the President to attend.

## **1.2 STANDING POLICIES FOR THE BOARD OF DIRECTORS**

### **1. EXECUTIVE SESSIONS**

Only the Board of Directors, the Chief Executive Officer and specified staff may attend Executive sessions unless an exception is granted by the President or a majority of the Board present and voting.

### **2. APPEARANCES BEFORE BOARD OF DIRECTORS**

Anyone, other than the Board of Directors, wishing to appear before the Board of Directors, must have the approval of the President.

### **3. SPEAKER RECOGNITION**

Members or directors wishing to speak shall request to be recognized by the chair before addressing the body.

Members or directors shall identify themselves by name and Member Board/Association.

#### **4. MOTIONS**

Motions for consideration by the Board of Directors shall be submitted by individual Directors to the chair orally or in writing on a prescribed motion form .

#### **5. VOTING**

Unless another form of voting is requested by a director, voting on business matters at in-person Board of Directors meetings shall be by voice vote unless a visual confirmation of voter intent is required, at which time votes shall be cast by appropriate visual means. If another form of voting is requested by a director at an in-person meeting, such form shall follow Robert's Rules of Order, Newly Revised Edition and be in compliance with the Bylaws and the Oregon Nonprofit Corporation Act (ORS 65.001 et seq.) as that Act exists now or in the future may be amended or succeeded.

Ballots are necessary for votes on officer and NAR director elections, as further detailed in the Bylaws. Ballots may be paper or electronic. All paper ballots shall be destroyed, and electronic ballots deleted and erased at the close of the business meeting after validation by the Elections Committee.

If a vote is taken by the Board of Directors without an in-person meeting, the voting procedures must comply with the Bylaws and the Oregon Nonprofit Corporation Act (ORS 65.001 et seq.) as that Act exists now or in the future may be amended or succeeded. This includes ORS 65.205 (participation in a meeting by remote communication), ORS 65.211 (action without a meeting), ORS 65.212 (use of electronic mail or other electronic means to discuss issues or take action), and/or ORS 65.222 (action by written ballot).

#### **6. MINUTES**

Minutes shall be kept for all meetings of the Board and are permanently retained by the association.

The draft minutes of the Board meetings shall be communicated to each director and Local Association Executive Officer within four (4) weeks following a meeting.

After the draft minutes are approved by the Executive Committee at the next regularly scheduled meeting, they may be made available for distribution.

The draft and official Executive Session minutes shall be maintained and available to the members of the Board only.

#### **7. AMENDMENTS, DELETIONS, ADDITIONS, OR SUSPENSION**

These Standing Policies may be amended or suspended at a regular or special meeting of the Board by a majority vote of those present and voting.

### **1.3 COMPLIANCE GUIDELINES FOR THE BOARD OF DIRECTORS**

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Each Director will sign a Board of Directors' Compliance form annually.

*See Section 5 Appendix*

### **1.4 CONFLICT OF INTEREST**

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#### **PURPOSE**

The purpose of this conflict-of-interest policy is to protect Oregon REALTORS® interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of a member of the Board of Directors, the Executive Committee, or any one of the Key Committees (Interested Member).

#### **CONFLICT OF INTEREST POLICY**

No member of Oregon REALTORS® Board of Directors, Executive Committee, or any Key Committees shall engage in discussion of any matter involving a conflict-of-interest transaction without first disclosing the conflict and obtaining the approval of the majority of the body present. In no event shall the member cast a vote for or against any matter involving a conflict-of-interest transaction. A conflict-of-interest transaction is any proposed business transaction with the Association in which the member has a direct or indirect interest, including:

- As a result of the transaction with the Association, a member will or could gain or lose personal financial benefit.
- The member or the member's immediate family has an ownership interest or voting rights in a business organization directly or indirectly affected by the transaction. An ownership interest is defined as holding an ownership interest of more than 1 percent of the business organization.
- A person who is related to the member or a business associate of the member is a party to the transaction.
- Another entity of which the member is a director, officer or trustee is a party to the transaction

A conflict of interest shall not exist as a result of the normal operations of the member's Local Association.

#### **PROCEDURES IF AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST EXISTS**

In connection with any actual or potential conflict of interest, an Interested Member must disclose the existence of the actual or potential conflict as soon as the conflict is or should be apparent to the Interested Member. At that time the Interested Member may leave the meeting and return after the body present has concluded any discussion and action related to the matter that presents the conflict. Alternatively, after being given an opportunity to present all material facts related to the conflict to the body present, the Interested Member may request a vote of the body present on either or both of the following issues 1) whether a conflict exists and 2) granted that a conflict does exist, whether the interested person may engage in the body's discussion of the matter. The Interested Member shall leave the meeting for the vote(s). A majority vote of all voting members present is required to allow the interested person to participate in the discussion of the matter.

If the Board of Directors, the Executive Committee, and/or the Key Committee have reasonable cause to believe a Member has failed to disclose actual or possible conflicts of interest, it shall inform the interested person of the basis for such belief and afford that person an opportunity to explain the alleged failure to disclose. If, after hearing the Interested Member's response and after making further investigation as warranted by the circumstances, the Board of Directors, Executive Committee, and/or the Key Committee determines by a majority vote of the body present taken in the absence of the Interested Member, the Interested Member has failed to disclose a conflict of interest, it shall take appropriate disciplinary and corrective action as deemed necessary.

#### **RECORD OF PROCEEDINGS RELATED TO CONFLICT OF INTEREST**

The minutes of the Board of Directors, Executive Committee and Key Committee meetings shall contain:

- The names of the persons who disclosed or otherwise were found to have interest in connection with an actual or potential conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, any action taken to allow or disallow the member from participating in discussion of the matter and the decision as to whether a conflict of interest in fact existed and whether the member could continue to engage in the discussion of the matter.
- The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.



## **CONFLICT OF INTEREST STATEMENT AND DISCLOSURE OF CONFLICTS FORM**

Each Board of Director Member, Executive Committee Member, and Key Committee Member shall sign a statement which affirms that he or she:

- Has received a copy of the Conflict-of-Interest Policy
- Has read and understands the Conflict-of-Interest Policy and has signed the Conflict-of-Interest Statement
- Has agreed to comply with the Conflict-of-Interest Policy

In addition, each Interested Member must promptly file a Conflict-of-Interest Disclosure Form with the Association when a Conflict of Interest arises.

## **REVIEW OF POLICY AND COMPLIANCE WITH FEDERAL AND STATE LAW**

Oregon REALTORS® shall periodically review this policy to comply with state and federal laws governing Conflict of Interest applicable to nonprofit organizations.

This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest transactions applicable to nonprofit organizations. Oregon laws related to conflict-of-interest transactions for nonprofit organizations are found at ORS 65.631. In the event of a conflict between these rules and ORS 65.361, the policy that is most protective of the Association's interest will govern.

## **1.5 NAR DIRECTOR POLICIES & PROCEDURES**

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### **NAR DIRECTORS CAUCUS/ CHAIR**

- The NAR directors from Oregon REALTORS® shall constitute the NAR Directors Caucus. The Caucus will meet at the REALTOR® Legislative Meeting and REALTOR® Conference and Expo, or more often if required by the President.
- The current Oregon REALTORS® President serves as chair of the Caucus.

### **NAR COMMITTEE SERVICE**

Pursuant to NAR Policy, each NAR Director shall apply to serve on a committee or committees of the NAR. Applications for committee appointments will be submitted directly to NAR. NAR committees with State recommendations will be submitted by the Oregon REALTORS® CEO in consultation with the Association President and President-Elect.

### **OREGON REALTORS® BOARD OF DIRECTORS MEETINGS**

NAR Directors are encouraged to attend the scheduled meetings of the Oregon REALTORS® Board of Directors.

## **NAR REGION 12 CAUCUS**

The NAR Directors shall attend the Region 12 Caucus at the two annual NAR meetings and participate in the discussions, as appropriate.

## **WRITTEN REPORTS**

Following NAR meetings, each NAR Director will submit a brief written report of the meetings which they attended. The report should highlight significant points of discussion as well as referencing or summarizing materials handed out that may be of interest to other directors or Oregon REALTORS® staff. Oregon REALTORS® will provide a template for the report to be submitted.

The report must be filed with Oregon REALTORS® staff within thirty (30) days of the NAR meeting.

## **ATTENDANCE POLICY**

NAR Directors are required to attend the two annual National Association meetings and encouraged to attend Oregon REALTORS® meetings, including the Region 12 Conference. Requests for an excused absence are subject to NAR Policy. Removal of an NAR Director for un-excused absences, and replacement of an NAR Director who has been removed by NAR, is subject to NAR Policy.

## **National Distinguished Service Award Recipients (DSA)**

Any REALTOR® from Oregon REALTORS® who is a recipient of the NAR Distinguished Service Award (DSA) and who continues to be affiliated with their respective local association is an NAR Director, as outlined in the NAR Constitution, Article IV Section 1(i). Oregon REALTORS® will pay that person the same reimbursement as an NAR Director PROVIDED that they participate as an NAR director, agree to abide by the policies in effect, and do not receive a reimbursement or stipend from any other source.

## SECTION 2 COMMITTEE & TASK FORCE POLICIES

### 2.1 KEY & SPECIAL COMMITTEES OF OREGON REALTORS®

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The following Key Committees meet a minimum of twice yearly in person at the spring and fall governance meetings. If the spring and fall governance meetings are not taking place in person, these two meetings may be conducted by remote communication. Remote communication is where all participants can hear or otherwise communicate at substantially the same time with other persons at the meeting and have access to materials necessary to participate in or vote at the meeting. Other meetings may be scheduled and conducted in any manner authorized for member or board meetings under the Oregon Non-profit Corporation Act (ORS 65.001 et seq.) as that Act exists now or in the future may be amended or succeeded. This includes ORS 65.205 (participation in a meeting by remote communication), ORS 65.211 (action without a meeting), ORS 65.212 (use of electronic mail or other electronic means to discuss issues or take action), and/or ORS 65.222 (action by written ballot). Mileage reimbursement is provided.

- Business Issues Key Committee (one-year term)
- Government Affairs Key Committee (two-year term)
- Political Affairs Key Committee (two-year term)
- Professional Development Key Committee (one-year term)
- Diversity Committee (two-year term)

The following Special Committees meet as needed, either in person or in any manner authorized for member or board meetings under the Oregon Non-profit Corporation Act (ORS 65.001 et seq.) as that Act exists now or in the future may be amended or succeeded. This includes ORS 65.205 (participation in a meeting by remote communication), ORS 65.211 (action without a meeting), ORS 65.212 (use of electronic mail or other electronic means to discuss issues or take action), and/or ORS 65.222 (action by written ballot). Mileage reimbursement is provided.

- Elections (two-year term)
- Oregon REALTORS® Political Action (two-year term)
- REALTOR® of the Year (ROTY)/Oregon REALTORS® Distinguished Service Award (DSA) (one-year term)
- Legal Action (three-year term)
- Strategic Planning (includes: six appointed members serving staggered two-year term)
- Issues Mobilization (two-year term)

- Professional Standards (two-year term )
- Finance Review (two-year term )
- Economic Development (one-year term )
- Safety (one-year term )

The following are committee responsibilities:

- Committees have the authority and responsibility to implement current and new programs, products and services within the policies and budget as approved by the Board of Directors.
- Committee leadership may appoint, without further approval, work groups to advise the committee or to work on specific assignments under the committee's responsibility.
- Committee leadership will be required to report to the Executive Committee and Board of Directors at all governance meetings.

## **2.2 STANDING POLICIES OF COMMITTEES & TASK FORCES**

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### **DUTIES**

Each Key Committee will prepare its work plan with staff assistance, based on the strategic priorities, and submit the plan to the Chief Executive Officer (CEO) and the Controller for review prior to inclusion in the Association budget, which is then presented to the Budget Committee, the Executive Committee and Board of Directors for approval at the fall governance meeting. In emergency situations, the President may assign responsibility to another member until such time as the Board can consider its approval.

### **COMMITTEE RECRUITMENT/TERMS/SELECTION PROCESS**

#### Recruitment of Members:

Oregon REALTORS® will provide all members with a Committee Request Application (for the following year) electronically and at all governance meetings.

A cutoff date to submit applications will be determined based on the date selected for making committee appointments.

### **PARTICIPATION**

Chairs of committees must be REALTOR® members. Committee members must be REALTOR® members, Institute Affiliate members, Affiliate members, or Association Executives.

Any committee chair or committee member becoming inactive in the real estate, or a real estate-affiliated profession as outlined above, or no longer holding REALTOR® membership, shall automatically be disqualified and replaced.

## **COMMUNICATION, REPORTS, AND RECOMMENDATIONS**

Committee recommendations which include requests for un-budgeted funds shall be submitted to the Executive Committee for review and approval or denial.

Committee recommendations, which include proposed policy changes, shall be reported and approved by the Executive Committee for their recommendation before going to the Board of Directors.

Committee recommendations shall be subject to review by the Executive Committee. Recommendations may be considered individually or collectively and will be placed on file, referred back, amended (leaving the original recommendation as a part of the record), adopted, or rejected.

## **MEETING LOGISTICS**

Meeting dates for Special Committees and task forces not held during the semi-annual governance meetings will be set to allow for members to receive at least two weeks' notice of the meeting, unless deemed an emergency.

## **COMMITTEE ATTENDANCE POLICY**

In the event a chair or vice chair misses two (2) successive committee meetings without being excused by the President, the chair or vice chair office shall be declared vacated.

Committee Absences: committee members who miss one (1) unexcused or two (2) excused meetings in a calendar year may be replaced at the discretion of the President on the recommendation of the chair or Chief Executive Officer. Members who miss three (3) or more meetings in a calendar year will be automatically removed. This includes all in-person and remote meetings. Staff will keep the President or chair apprised of absences.

## **RECORDS**

Each Key Committee, Special Committee, task force and Presidential Advisory Group (PAG) shall keep minutes of all its meetings and the chair shall file a copy of the minutes with the Oregon REALTORS® office within fifteen (15) days of any meeting.

## **AMENDMENTS, DELETIONS, ADDITIONS OR SUSPENSION**

These standing policies of committees and task forces may be amended or suspended at a regular or special meeting of the Board of Directors by a majority vote of those present and voting.

## 2.3 EXECUTIVE COMMITTEE

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**Organization:** The Committee shall consist of the following:

- President: 1-year term
- President-Elect: 1-year term
- Immediate Past President: 1-year term
- Districts 1-6 VPs: 2-year term
- Chairs:
  - Business Issues- 1-year term
  - Government Affairs- 2-year term
  - Political Affairs- 2-year term
  - Professional Development- 1-year term
  - Diversity Key Committee (2-year term)
  - ORPAC Trustees- 2-year term (Ex-officio; non-voting)
  - Finance Review- 2-year term (Ex-officio; non-voting)

**Meetings:** The Executive Committee will have a regular meeting schedule published and distributed to Executive Committee members once finalized. At the discretion of the President, the Executive Committee may conduct official Association business by any means of technology allowed for member or board meetings under the Oregon Non-profit Corporation Act (ORS 65.001 et seq.) as that Act exists now or in the future may be amended or succeeded. This includes ORS 65.205 (participation in a meeting by remote communication), ORS 65.211 (action without a meeting), ORS 65.212 (use of electronic mail or other electronic means to discuss issues or take action), and/or ORS 65.222 (action by written ballot).

**Purpose:** The Executive Committee shall be responsible for the following, pursuant to Association Bylaws, Article V, Section 14:

*“The Executive Committee shall transact business and administer the finances of the Association between meetings of the Board of Directors and shall report the substance of any actions to the Board of Directors, at its next meeting.”*

Duties of the Executive Committee include, but are not limited to:

- Advise the Board of Directors on subjects relative to the interests of the Association and its members.
- Conduct the affairs of the Association in accordance with the policies and instructions of the Board of Directors and make recommendations concerning any Policy changes of the Association to the Board of Directors.

- Review proposed Key and Special Committee actions and recommendations and make appropriate recommendations to the Board of Directors.
- Oversee the Association's finances and recommend approval of the annual audit.
- Prioritize the programs contained in the proposed annual budget and recommend a funding and dues level 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 the Association's strategic initiatives and oversight of allocation processes and results.

**Areas of Responsibility:**

- Give direction to committees as necessary based on the Association's Strategic Priorities.
- Make budget adjustments as necessary and as recommended provided they do not exceed five percent (5%) of the annual budget or reduce the operating reserve below the level required by the financial policies.
- Provide budget oversight of all programs as outlined in the budget policies.
- All personnel issues dealing with the CEO, including the annual review process, shall be conducted by the President as Chair, President-Elect, and Immediate Past President. The CEO annual review process shall be conducted prior to November 1.
- Ensure that all Executive Committee minutes are published and distributed to committee members within thirty (30) days of each Executive Committee meeting.
- Meet a minimum of four (4) times per year.

**Executive Committee Procedures:** meetings may be held at the call of a petition from a simple majority of the Executive Committee or the Board of Directors, or the President.

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

## 2.4 BUSINESS ISSUES KEY COMMITTEE

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**Organization:** The Committee shall consist of the following:

- Chair
- Vice Chair
- Up to 18 members
- The 18 members shall include the chair of the Diversity Committee, a property management specialist, an MLS representative, and a commercial practitioner.
- Oregon REALTORS® will strive to identify representatives from allied industries, including but not limited to appraisers, title and escrow companies, mortgage companies, and home builders to serve on the Committee.

All members shall serve for one-year terms as appointed by the President with the approval of the Board of Directors. At least one-third of the existing members shall be reappointed in each successive year.

The chair and vice chair shall be selected from those individuals who have served on the Committee within the immediate past two (2) years.

The President and chair will assess annually the need for subcommittees addressing industry specialty issues such as, but not limited to, appraisal, commercial, and property management. These subcommittees will discuss items and matters that affect their industry and ability for REALTORS® to do business with these partners. The subcommittees will make any suggested recommendations to the Business Issues Key Committee for review. The members of these subcommittees do not need to be Business Issues Key Committee Members; however, the chair of the respective subcommittee shall report directly to the Business Issues Key Committee Chair.

**Meetings:** The Committee holds regular meetings at the spring and fall Association governance meetings. Special meetings may be scheduled as needed.

**Purpose:** The Key Committee shall be responsible for the following, pursuant to the Strategic Priorities and the annually approved budget:

- Oversight of all programs, products, and services (non-legislative/regulatory) that assist Oregon REALTORS® members to successfully conduct their business in an increasingly complex and changing marketplace. Areas of responsibility include, but are not limited to, equal opportunity/fair housing, business tools, risk management, and multiple listing.



- Proactively assess the critical issues and forces in the REALTOR® work environment.
- Recommend the development of new programs, products and services, and materials that are responsive to member business needs and expectations.
- Evaluate and modify as necessary all current and on-going business-related programs, products, and services.
- Assist and advise staff relative to the management and delivery of programs, products, and services.
- Conduct focus groups, caucuses, and other outreach activities, as needed, to update and receive input from members.
- Work with other committees to enhance and coordinate the delivery of all programs, products, and services.

## 2.5 GOVERNMENT AFFAIRS KEY COMMITTEE

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**Organization:** The Key Committee shall consist of the following:

- Chair
- Vice Chair
- Up to 18 members

All members shall serve for two-year terms as appointed by the President with the approval of the Board of Directors. At least one-third of the existing members shall be reappointed in each successive two-year rotation.

The chair and vice chair shall be selected from those individuals who have served on the Committee within the immediate past two (2) years.

There will be a standing Land Use and Water Policy subcommittee which shall make recommendations to the Government Affairs Key Committee concerning legislative or administrative and regulatory activity affecting land use and water issues exclusively. The members of the Land Use and Water Policy Subcommittee do not need to be Government Affairs Key Committee members; however, the Chair of the Subcommittee shall report directly to the Government Affairs Key Committee Chair.

**Meetings:** The Committee holds regular meetings at the spring and fall Association governance meetings. Special meetings and subcommittee meetings may be scheduled as needed.

**Purpose:** The Key Committee shall be responsible for the following, pursuant to the Strategic Priorities and the annually approved budget:

- Formulate and recommend policies to the Executive Committee/Board of Directors concerning legislative issues affecting the industry, the profession and private property rights, including water and land use issues.
- Assist staff to implement and advocate the legislative policies and positions.
- Recommend appropriate actions to the Executive Committee/Board of Directors regarding current or proposed rules, policies and issues affecting the industry, the profession and private property rights, including water and land use issues.
- Assist staff in communicating with the Association leadership and members relative to legislative and regulatory issues.
- Oversight and evaluation of all programs, products and services that assist members to become more knowledgeable about and involved in the political process at all levels.
- Develop new, and refine existing, programs and activities that bring members into direct contact with legislators and the legislative/regulatory process.
- Conduct focus groups, member caucuses and other outreach activities, as needed, to update and receive input from members.

## 2.6 Political Affairs Key Committee

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**Organization:** The Key Committee will consist of the following:

- Chair
- Vice Chair
- Up to 18 members

All members shall serve for two-year terms as appointed by the President with the approval of the Board of Directors. At least one-third of the existing members shall be reappointed in each successive two-year rotation.

The chair and vice chair shall be selected from those individuals who have served on the Committee within the immediate past two (2) years.

**Meetings:** The Committee holds regular meetings at the spring and fall Association governance meetings. Special meetings may be scheduled as needed.

**Purpose:** The Committee shall be responsible for the following, pursuant to the Strategic Priorities and the annually approved budget:

- Development, oversight and evaluation of programs, products and services that assist members to become knowledgeable about and involved in the political process at the local, state, and federal level.
- Manage existing programs, such as the Key Constituent Program, identify new opportunities and activities that mobilize and bring members into direct contact with elected officials and the legislative/regulatory process.
- Key Constituents shall serve as lead contacts for each legislative district to increase participation in Oregon REALTORS® and NAR Calls for Action in those districts.
- Assist staff in the development and maintenance of an effective legislative/congressional contact system and political affairs database.
- Assist and advise staff in the management and implementation of political programs, products, and services to Member Boards/Associations.
- Encourage and assist Member Boards/Associations in the development of comprehensive political affairs programs at the local level, including voter registration, local government monitoring and evaluation of local candidates for political office.
- Assist ORPAC Trustees in the candidate interview process at all levels of government.
- Conduct member forums, as needed, to update and receive input from members.
- Assist staff by advising of opportunities to apply for NAR community and RPAC Grants, at both the state and local levels.

## **2.7 PROFESSIONAL DEVELOPMENT KEY COMMITTEE**

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**Organization:** The Committee shall consist of the following:

- Chair
- Vice Chair
- Up to 18 members
- Oregon REALTORS® will also strive to identify representatives from Institute Affiliates, WCR, CRS, CRB, YPN, and other allied groups to serve on the Committee

All members shall serve for one-year terms as appointed by the President with the approval of the Board of Directors. At least one-third of the existing members shall be reappointed in each successive year.

The chair and vice chair shall be selected from those individuals who have served on the Committee within the immediate past two (2) years.

**Meetings:** The Committee holds regular meetings at the spring and fall Association governance meetings. Special meetings may be scheduled as needed.

**Purpose:** The Committee shall be responsible for the following, pursuant to the Strategic Priorities and the annually approved budget:

- Oversight of all programs, products and services that have as their purpose the professional development of Oregon REALTORS® members. These programs, products and services include, but are not limited to, the Real Estate Conferences, the Graduate REALTOR® Institute, and other education and training programs.
- Periodically assess member professional development needs and expectations.
- Recommend the development of new professional development programs, products, services, and materials based on member needs.
- Evaluate and modify as necessary, all current and on-going professional development programs, products, and services.
- Assist and advise staff relative to the management and delivery of professional development programs, products, and services, including delivery through live events, web and telephone conferencing and social media.
- Conduct focus groups, caucuses, and other outreach activities, as needed, to update and receive input from members.
- Work with other committees to enhance and coordinate the delivery of all programs, products, and services.

## **2.8 DIVERSITY KEY COMMITTEE**

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**Organization:** The Committee shall consist of the following:

- Chair (two-year term)
- Vice Chair (two-year term)
- Up to 18 members (staggered two-year term)
- Oregon REALTORS® will strive to identify representatives from Multicultural and/or Minority Real Estate Organizations (AAREA, NAREB, NAGLREP, NAHREP, WCR, etc.) to serve on the Committee.

**Meetings:** The Committee will meet annually during the spring or fall governance meeting. The Committee may meet as frequently as desired via remote communication.

**Purpose:** The Committee will be responsible for the following, pursuant to the Strategic Plan and annually approved budget:

- Provide education and training on diversity-related topics to members state-wide.
- Expand the knowledge and sensitivity of REALTORS® to diversity and inclusiveness issues.
- Promote fair housing practices across Oregon.
- Produce and/or promote training opportunities for brokerages and agents to adopt within their organizations.
- Identify changes in real estate business practices to reflect the growing cultural diversity within Oregon.
- Partner with multicultural and/or minority affiliate groups on at least 2 education activities per year.
- Identify ways to promote utilization of NAR's Diversity Grant Program.
- Identify ways to reach members in Oregon who belong to other multicultural groups.
- Secure sponsorships from local businesses to host and/or sponsor diversity-related housing events.
- Identify diversity within the Oregon REALTORS® membership to serve on committees and other leadership positions.

## 2.9 ELECTIONS COMMITTEE

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**Organization:** The Oregon REALTORS® Elections Committee shall consist of the following:

- Chair (Association Past President once removed)
- Vice Chair (Association Immediate Past President)
- Six (6) members who shall serve two-year staggered terms

No more than one member shall serve from any one Board/Association except where that situation may exist with the chair and vice chair.

**Meetings:** The Committee will meet via remote communication at least three (3) times. The Committee will meet during fall and spring governance meetings for the purpose of tallying ballots from a vote at the Board of Directors meeting. Special meetings may be scheduled as needed.

**Purpose:** The Elections Committee shall be responsible for the following:

- Certify candidates and supervise the election of the Association President-Elect and the Oregon REALTORS® At-Large NAR Director(s) using predetermined, Board of Directors-approved, minimum qualifications and advise the Board of Directors accordingly.
- Certify candidates who have applied for District Vice President in their respective districts.

- Monitor adherence to Board of Directors-approved campaign policies and procedures, and to advise the Board of Directors of any candidate violations.
- Collect, count/tally, and report to the President the results of ballots cast at all elections held during Board of Directors meetings.
- Recommend to the Board of Directors any changes in minimum candidate qualifications for any of the elected offices or changes to the campaign and election process.

## **2.10 OREGON REALTORS® POLITICAL ACTION COMMITTEE (ORPAC)**

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**Organization:** The Committee shall consist of the following members (Trustees) in compliance with the ORPAC Bylaws:

- Chair
- Vice Chair
- Up to eighteen (18) members, serving 2-year staggered terms, includes Chair of the Political Affairs Key Committee (ex-officio) and Chair of the Government Affairs Key Committee (ex-officio)

The chair, and the vice chair, shall serve for two-year terms (beginning in odd years) as appointed by the President with the approval of the Board of Directors. The chair may attend as a non-voting member of the Executive Committee, at the request of the President.

The Association's Political Action Committee shall exclusively control and determine ORPAC allocations for contributions and expenditures, only to the extent of and in full compliance with all applicable government statutes, ordinances, regulations and ORPAC Bylaws.

**Meetings:** The Committee will have a regular schedule of meetings as calendared yearly and may schedule additional meetings as needed.

**Purpose:** The Committee shall have those purposes and responsibilities as stated in the ORPAC Bylaws.

## **2.11 REALTOR® OF THE YEAR (ROTY) & DISTINGUISHED SERVICE AWARD (DSA) COMMITTEE**

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**Organization:** The Committee shall consist of the following:

- Chair (Past REALTOR® of the Year Once Removed)
- Vice Chair (Immediate Past REALTOR® of the Year)
- Two (2) additional Past REALTORS® of the Year
- Three (3) non-REALTORS® of the Year

Potential candidates for ROTY or DSA shall not be appointed to serve on the Committee while their names remain on the potential candidates list.

Term of appointment is for one year.

**Meetings:** The Committee meets by remote communication a minimum of four (4) times, split between the two awards. The Committee meets during governance meetings to conduct ROTY presentation in the spring and DSA presentation in the fall.

**Purpose:** To select the REALTOR® of the Year and DSA through a review of qualified candidates.

## 2.12 LEGAL ACTION COMMITTEE

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**Organization:** The Committee shall consist of the following:

- Chair
- Vice Chair
- Six (6) members

Members, including the vice chair, shall serve for 3-year staggered terms.

**Meetings:** The Committee may meet as needed.

**Purpose:** The Committee shall be responsible for the following pursuant to the Strategic Plan and Legal Action Committee Statement of Procedure and Policy as approved by the Board of Directors:

- Adopt administrative rules and procedures for the Legal Action Program for recommendation to the Executive Committee and Board of Directors.
- Receive and evaluate requests for financial assistance for *Amicus* participation regarding litigation representing issues of substantial importance to the real estate profession, private property rights, or to a substantial portion of Association membership.
- Inform members and Local Associations of the purpose of the Legal Action Program and how the program works.
- Monitor, in conjunction with any REALTOR® Risk Reduction Committee, both at the state and local level, present and future legal liabilities and issues affecting real estate and licensees and make appropriate recommendations for action to the Executive Committee and the Board of Directors.

## 2.13 STRATEGIC PLANNING COMMITTEE

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**Organization:** The Committee shall consist of the following:

- Executive Committee for the Budget Year  
(President-Elect of the planning year serves as Chair)
- Chairs of Issues Mobilization, Professional Standards, Legal Action and Finance Review Committee, and ORPAC Trustees.
- Six (6) members serving 2-year staggered terms
- Chief Executive Officer
- Key Committee Staff Liaisons

The Strategic Priorities must be accepted by the current Executive Committee and forwarded to the Board of Directors for approval at the fall governance meeting.

**Meeting:** The Committee will meet annually, as needed, to be determined by the President-Elect of the planning year.

**Purpose:** The purpose of the Committee is to annually review, revise and/or develop a pertinent and fluid Strategic Plan designed to achieve specific short and long-range objectives for the Association and which will drive the Association's allocation of resources over the short term.

## 2.14 ISSUES MOBILIZATION COMMITTEE

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**Organization:** The Committee shall consist of the following members:

- Chair
- Vice Chair
- Five (5) members, serving 2-year staggered terms

**Meetings:** The Committee will meet as needed.

**Purpose:** The Committee will promote and strive for the improvement of government by encouraging and stimulating REALTORS® and the general public to take a more active and effective part in issues campaigns promoting REALTOR® public policy. In addition, the Committee will provide resources for independent and in-kind expenditures in support of REALTOR® Party candidates for elected office at the local level. The types of expenditures that will be considered for funding include, but are not limited to:

- Ballot measure campaigns
- Grassroots activities (mobilizing voter groups, Get-Out-The-Vote activities)



- Public advertising and/or communications
- Polling
- Hiring of Consultants

The Committee shall be responsible for the following pursuant to the Issues Mobilization Fund Policy and Procedures:

1. Consider requests and recommend funding to the Executive Committee from the Issues Mobilization Fund to:
  - a. Assist Local Associations with local issues affecting REALTOR® public policy.
  - b. Conduct issues campaigns on statewide issues affecting REALTOR® public policy.
2. Consider requests and distribute Issues Mobilization funds for independent expenditure to:
  - a. Assist Local Associations in support of local REALTOR® Party candidates
3. Ensure that members and Member Boards/Associations are aware of and informed about the Committee's purpose and the funding request process and the resources available.

## **2.15 STATE PROFESSIONAL STANDARDS COMMITTEE**

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**Organization:** The Committee shall consist of the following:

- Chair
- Vice Chair
- Up to thirty (30) members, with a minimum of fifteen (15) members

All members shall be thoroughly familiar with the Code of Ethics of the National Association of REALTORS® and the Code of Ethics and Arbitration Manual and have previously served on a local association professional standards committee. All members shall serve for two-year terms as appointed by the President with the approval of the Board of Directors. At least one-third of the existing members shall be reappointed in each successive year. The Committee shall represent to the extent possible the geographic diversity of the Association.

**Meetings:** The Committee will meet as needed.

**Purpose:**

- Assure that Oregon REALTORS® meets its obligation as a State Association concerning the Code of Ethics of the National Association of REALTORS® as established in Article IV, Code of Ethics and Member Board Business Practices, Sections 1 and 2, Bylaws, National Association as set forth in Part Fourteen - State Association Professional Standards Committee of the Code of Ethics and Arbitration Manual.
- Arrange for such hearings as fall within the jurisdiction of the State Association as outlined in the Code of Ethics and Arbitration Manual. All such hearings shall be conducted in accord with the policies and procedures of the National Association of REALTORS® as established in the Code of Ethics and Arbitration Manual.
- Maintain a citation policy and schedule of fines as authorized by the Code of Ethics and Arbitration Manual (See Section 4.13).
- Assist Local Associations as necessary to adopt and enforce the Code of Ethics of the National Association of REALTORS®. If the State Professional Standards Committee is requested to assist a local board/association, the local board is responsible for mileage reimbursement and lodging as needed for participating committee members.
- Assist and advise staff in the management and delivery of professional standards programs, products and services to local Boards and Associations. Central to this purpose shall be the provision of training and education programs, products, and services.
- Promote continued respect for and improvement of professional standards programs and enforcement at all levels of the REALTOR® organization.

**2.16 FINANCE REVIEW COMMITTEE**

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**Organization:** The Committee shall consist of the following members:

- Chair
- Two additional members

All members (including the chair) shall serve for two-year staggered terms as appointed by the President with the approval of the Board of Directors. All members, including the chair must have knowledge of the principles and practices of: (a) financial record keeping (including the ability to read and interpret a financial statement and be conversant in basic financial terminology), (b) accounting systems and (c) financial reporting (including generally accepted accounting principles or GAAP). The chair shall be selected from those individuals who have served on the Finance Review Committee for at least 2 of the past 5 years. The chair may attend as a non-

voting member of the Executive Committee, at the request of the President.

Additionally, the chair must be able to communicate financial information effectively to persons with little or no financial expertise and work with the Chief Executive Officer, the Chief Financial Officer, and the independent auditors, as necessary.

**Meeting:** Quarterly, via remote communication.

**Purpose:** The Committee shall work with staff to:

- Review quarterly financial reports for all entities.
- Working with the CEO and the Controller, interview and recommend hiring of independent auditors.
- Review the annual audit with the independent auditors and answer all questions from the Executive Committee and Board of Directors regarding the audit.
- Review and make recommendations regarding any control issues that may arise during the course of the independent audit.
- Ensure that the Association's assets are protected, expended, and invested according to the adopted Association Policy Manual.

## 2.17 ECONOMIC DEVELOPMENT COMMITTEE

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**Organization:** The Committee shall consist of the following:

- Chair (one-year term)
- Vice Chair (one-year term)
- Up to 15 members (one-year term)

**Meetings:** The Committee will meet annually during the spring or fall governance meeting. The Committee may meet as frequently as desired via remote communication.

**Purpose:** Promote economic and community development by working with state and local economic development organizations, chambers of commerce and other community partners to leverage the knowledge, resources, and relationships of REALTORS® and REALTOR® associations. Members are asked to build relationships with local economic and community development partners, to pursue NAR community outreach grants that help their community achieve important goals, and support local efforts to attract people, businesses, and investment.

## 2.18 SAFETY COMMITTEE

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**Organization:** The Committee shall consist of the following:

- Chair (one-year term)
- Vice Chair (one-year term)
- Up to 15 members (one-year term)

**Meetings:** The Committee will meet annually during the spring or fall governance meeting. The Committee may meet as frequently as desired via remote communication.

**Purpose:** Identifies and puts into play safety benchmarks and tools for members and Local Associations/Boards that will help lower the number of safety issues, promotes that REALTOR® safety is of higher importance than a sale, and is a resource for Local Association/Board safety committee formation

## SECTION 3 FINANCIAL POLICIES

### 3.1 ANNUAL CHRONOLOGICAL TIMELINE

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- The Controller and Finance Review Committee Chair conduct a training session for leadership covering the budget process, travel policy and other financial related issues during the first Executive Committee meeting of the calendar year. Budget cycle commences January 1<sup>st</sup> of each year.
- Budget Committee meets in July to finalize budget proposal.
- Executive Committee approves, or amends proposed strategic priorities and budget.
- The final drafts are sent to the Board of Directors at least 30 days in advance of the fall governance meeting.
- The Board of Directors approve/amend/disapprove the proposed strategic plan and budget at the fall governance meeting.

Committee budget allocations, within the constraints of the annual budget, may be authorized and adjusted by the Executive Committee, provided new line items do not exceed five percent (5%) of the total operating budget and the operating reserves of the Association are not reduced below the prescribed reserve amount, without approval of the Board of Directors.

Task force or Presidential Advisory Group (PAG) appropriations, within the constraints of the annual budget, may be authorized by the President subject to Executive Committee approval at the next meeting.

Appropriations and disbursements shall be subject to adopted financial management policies.

The chairs of committees and task forces and the Chief Executive Officer shall be responsible to the Executive Committee and Board of Directors for assuring that the program of their group is carried out within the constraints of their authorized original or adjusted annual appropriation.

### 3.2 BUDGET PROCESS

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**Program Budgeting:** Oregon REALTORS® will use a Program Budget Model when developing and approving its annual budget.

The incoming Executive Committee and members of the Finance Review Committee, hereinafter referred to as the Budget Committee, shall review

the budget prepared by the Controller with CEO and staff input for the ensuing fiscal year for presentation to the Board of Directors at the fall Board of Directors meeting. The Budget Committee will make the necessary decisions from the proposed strategic plan on program budgets. The Budget Committee shall be chaired by the President-Elect. The CEO and Controller shall serve as ex-officio, non-voting member of the Budget Committee. The final draft of the budget, as presented by the Budget Committee and recommended by the current Executive Committee, will be sent to the Board of Directors at least thirty (30) days in advance of their meeting. The Board of Directors may amend the proposed budget if necessary, prior to final approval.

### **3.3 GENERAL FINANCIAL OPERATING GUIDELINES**

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**Dues Refund:** No refund of dues paid to Oregon REALTORS® shall be given. Any exceptions must be approved by the CEO.

**Reinstatement Fees:** Members will be charged full-year dues plus a reinstatement fee of \$50.00 for all members dropped as of March 15 who renew their membership in the same calendar year.

**990 Review:** Upon completion of the annual Form 990, the Finance Review Committee along with the Controller will serve as the review body on behalf of Oregon REALTORS® prior to filing.

**CEO Compensation:** An annual evaluation is conducted by an Evaluation Committee comprised of the current President, the President-Elect, and the Immediate Past President.

Salary increases, bonuses, and benefit enhancements shall be considered annually, at which time Oregon REALTORS® shall take into consideration the CEO's performance, time in the position, and independent studies of appropriate data for similar organizations, including but not necessarily limited to studies by the Oregon Society of Association Managers (OSAM), the American Society of Association Executives (ASAE) and NAR. The final decision on whether any salary increases, bonuses, or benefit enhancements will be given to the CEO shall be within the sole discretion of the Evaluation Committee.

**Staff Compensation:** Individual staff salaries shall be determined by the CEO, subject to the Annual Budget.

**Fiscal Year:** The fiscal year of the Association shall be the calendar year.

**Records Retention:** Oregon REALTORS® shall retain records for the period of

their immediate or current use, unless longer retention is necessary for historical reference or to comply with legal requirements. Records and documents outlined in the Governance Guide 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 in the Governance Guide. The record retention policy encompasses all entities of Oregon REALTORS®. (Oregon REALTORS®, HOME Foundation, ORPAC and The Realtor® Plaza).

**Reports:** Monthly financial statements prepared by the Controller will be sent to the CEO, the Finance Review Committee, the President and President Elect. The Controller reports during Executive Committee and Board of Director meetings.

The Chair of the Finance Review Committee along with the Controller and Auditor shall present a financial audit annually to the Executive Committee and Board of Directors. The scope of the audit shall be the responsibility of the Auditor(s) to embrace areas of special interest or concern.

**Dues/Assessments:** The level of dues and any assessments shall be established as described in the Bylaws and/or Policy. The frequency of dues or assessment collection shall be established in the Bylaws and/or Policy guidelines. The method of collection processing and recording of dues and/or assessment receipts shall be determined by the CEO and designated staff. Dues will be prorated for new members on a monthly basis.

**Type of Payment Accepted:**

All payments must be made by Money Order, Cashier's Check or Credit Card. No cash payments will be accepted.

**Billing and Collection Policy:**

Billing and Collection Policy for charges for dues, sponsorships, fees, and any billing on behalf of Oregon REALTORS® for any other financial obligations will be as follows:

- All invoices are due and payable upon receipt unless otherwise pre-agreed.
- A duplicate past due invoice will be sent on all past due invoices 30 days or older which remain unpaid.

- Fees relating to education and event offerings are due prior to attending the class or event and are non-refundable if the participant is unable to attend, unless accepted by the CEO.

**Checks Returned by the Bank:**

The fee to be charged for a returned check (non-sufficient funds, account closed, etc.) will be \$35.00. After a member/local association/ affiliate/ customer has presented the returned check, payment will only be accepted by credit card or certified funds.

**Building Maintenance:**

Ordinary and necessary repairs/maintenance to building and grounds that do not enhance property value shall be paid from the building repair and maintenance account within the annual Oregon REALTORS® Plaza, LLC budget.

**Fidelity Bond:** The President, President-Elect, CEO, all employees, all members of the Finance Review Committee, and the Chair and Treasurer of ORPAC shall be bonded by the position. The bonding limits shall be reviewed by the CEO annually. The CEO shall recommend to the Executive Committee any necessary changes in the bond amount.

**Insurance:** The levels and limits of all Association insurance protection plans shall be reviewed by the CEO and Controller annually.

**Accounting/Bookkeeping:** The accounting and bookkeeping procedures shall be determined by the Finance Review Committee, the auditors, the Controller and CEO.

**Cash Depositories and Management:**

Transfers between checking, savings or other interest-earning accounts shall be authorized by the CEO.

A record of all fund depositories shall be provided to the Controller and CEO. All cash and investment assets of the Association shall be accurately reflected on the monthly Balance Sheet and shall be audited annually.

All Oregon REALTORS® checks require two signatures. Authorized check signers are the CEO and designated staff. Check signers have no access to check stock until prepared by the accounting staff. Checks to be signed must have authorized invoices or check requests attached.

The Association's checking account is held with a FDIC compliant bank. No more than the FDIC insured balance shall reside in the checking account at



any time. Excess funds shall be transferred to the investment accounts to maintain FDIC coverage and meet current cash needs.

**Lending/Borrowing:** The Board of Directors shall have the sole authority to authorize the lending or borrowing of funds.

**Budget Disbursement/Adjustments:** The CEO shall authorize the disbursement or transfer of any funds in accordance with the adopted budgets or other policies.

Budget appropriation adjustments within a department may be authorized by the CEO as long as such adjustments are reported to the chair of the Finance Review Committee and do not include member reimbursements, program cost overruns, non-budgeted programs, and do not affect the total amount of the department appropriation.

Budget appropriation adjustments between departments may be authorized by the CEO with the approval of the Executive Committee as long as such adjustments are reported to the Finance Review Committee and do not affect the amount of the total budget appropriation.

The Finance Review Committee will review the operating budget quarterly.

**Unexpended Funds:** At the close of each fiscal year, Oregon REALTORS® shall cause its auditors to identify the amount of excess revenues or unexpended funds. Once the amount has been determined, the Executive Committee shall determine how to best allocate the unexpended funds. Nothing in this paragraph shall require that the Contingency Fund be funded in an amount in excess of the minimum established by policy. Any remaining unexpended funds may be used to fund other special funds (i.e., Issues Mobilization, Legal Action) or may be used to provide funding for unanticipated expenses, to balance a future year's projected operating budget, other contingencies or opportunities or for worthwhile programs for which funds were not available when the Board of Directors adopted the then-current budget.

### 3.4 Internal Financial Controls

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**Major Expenditures:** Any expenditure of \$5,000 or more shall be considered a major expenditure. For the purpose of this policy, “expenditure” shall be considered any expenditure or series of expenditures made under a new contract or service agreement or for the purpose of accomplishing a new, specific non-recurring project. Individual expenditures made under a single contract or service agreement or for the purpose of accomplishing a specific non-recurring project shall not be considered major expenditures if the contract, service agreement or project has already been approved under these policies.

**Amendments to Increase Annual Proposed or Approved Budget:** Any amendments or proposals to increase expenditures in any program budget of Oregon REALTORS® in excess of \$2,500 or 1%, whichever is less, must be submitted in writing to the CEO and President for approval prior to such increase. Such expenditures must be presented by the CEO to the Executive Committee at their next scheduled meeting.

**Contract Guidelines:** The CEO or designee, on the advice of legal counsel and with the approval of the Executive Committee or Board of Directors if required by policy or other governing documents, shall be the only individual(s) authorized to enter into contracts or agreements which incur financial or other liabilities to Oregon REALTORS®.

If there is any doubt as to the determination of whether a particular situation requires a contract, the CEO will provide guidance. Contracts shall be signed by the CEO or a designee per these Contract Guidelines.

**Disclosure Policies:** Because even the appearance of a conflict of interest can be damaging to the Association, any work performed by a family member (as defined below) must be disclosed by the Association staff member to the CEO in writing. If the potential conflict is that of the CEO, it shall be reported in writing to the President.

Once the potential conflict has been disclosed, the following financial procedures must be followed:

1. All requests for proposals must be submitted, with prior management approval, by a staff member other than the family member.
2. All RFP responses must be returned to a neutral Association staff member (e.g., the CEO or person submitting the original proposal) for review.

All proposals that are approved under this process shall be reported to the Finance Review Committee.

For the purpose of DISCLOSURE POLICIES only: immediate family members include the following: husband, wife, son, son-in-law, daughter, daughter-in-law, father, father-in-law, mother, mother-in-law, brother, brother-in-law, sister, sister-in-law, grandparent or grandchild.

### **3.5 Investment Policy Statement (IPS)**

**Purpose:** To establish a clear understanding of the investment policies and objectives for the reserve holdings of Oregon REALTORS®. Provisions are outlined for two distinctively different sets of reserve funds; those being:

**Short term** (short term cash management) – One month to thirty-six-month operational liquidity needed to meet anticipated budget projections.

**Long term** (capital appreciation – Funds exceeding those needed in short term, that may be committed toward a prudent three to ten-year capital appreciation strategy focused toward conservative growth and income.

The criteria for investment of funds in short term and long term are totally unique and must be so handled.

The IPS is intended to be a summary that provides guidance and continuity for the Oregon REALTORS® Executive Committee, Finance Review Committee, Board of Directors, CEO and Controller all in recognition of the shared fiduciary responsibility on behalf of all Oregon REALTORS® parties and members.

#### **Specific Objectives:**

1. To establish reasonable expectations and guidelines for the prudent investment management of Oregon REALTORS® assets.
2. To establishing a clear understanding of acceptable investment asset classes, risk exposure and oversight of performance.

#### **Short Term Explanation:**

Operational Funds Reserve (one month to three years). Cash management-Principal Stability & liquidity objectives are primary. Funds needed to meet ongoing operational budget projections, taking into consideration the receipt of annual member dues and fees.

#### **Acceptable Asset Classes:**

- Bank checking account (FDIC protected balance)
- Money Market ('A' rated, and FDIC protected)

- Bank Certificates of Deposit (FDIC protected)
- US Treasury Bills and Notes

Each asset class shall be managed toward cash flow needs anticipated while positioning strategically in order to achieve the most reasonable interest rates available at any given time.

**Long Term Explanation:**

Capital Funds Reserve- Excess funds not expected to be needed for three or more years. Intermediate term investment horizon will be for three to ten years. Prudent growth and income objective.

**Acceptable Asset Classes:**

- Cash management instruments as outlined in Short Term
- Exchange Traded Funds associated only with major market or sector indexes
- US based Corporate Bonds
- US Treasury & US Government backed Agency Bonds
- US Treasury Inflation Protected Bonds (tips)

**ACCOUNT RESTRICTIONS:**

The use of relative major market indexes performance year over year is to be used to evaluate Investment Advisor performance. I.E. S & P 500, The NASDAQ Composite, The Russell 2000 Growth and Value Indexes and Barclay's Aggregate US Government and Corporate Bond Index.

It is acknowledged and understood that some risk must be assumed in order to achieve investment objective returns and that there are uncertainties and complexities involved with ALL asset classes. Reasonable fluctuations in market values and interest rates of return will be tolerated to achieve overall prudent objectives.

**Investment Management Guidelines- Both Accounts** (other than normal banking activity – checking accounts and related):

1. All investment options outlined for both short term and long term shall be managed through a nationally recognized federally chartered bank, investment bank or insurance company offering fully comprehensive investment services.
2. An appropriately priced fee-based account structure should be utilized to provide and allow for effective professional management using modern portfolio practices and theory.

**Performance Monitoring:**

Oregon REALTORS® acknowledges fluctuating rates of return are common to the securities markets, particularly in short term time periods. Therefore, investment performance should be taken from an intermediate term perspective.

**Performance Watch List Review Criteria:**

1. Performance declines in relation to appropriate indexes over four consecutive quarters.
2. Any change in the investment advisory party.
3. A deviation from the approved asset classes or strategy.
4. An unusual increase in advisory fees or expenses.
5. An extraordinary event that may interfere with the Investment Advisor's ability to prudently manage investment assets.

The Oregon REALTORS® Executive Committee, by majority, must approve any change in the current Investment Advisory service. The Finance Review Committee, the CEO and the Controller may request an Executive Committee review at any time, provided that there are valid concerns.

Only the Oregon REALTORS® Executive Committee has the authority to approve investment of Capital Reserves over and above those funds needed for operations. In this regard, the CEO, Controller, and the Finance Review Committee are expected to provide well prepared recommendations to the Executive Committee. The CEO, Chair of the Finance Review Committee and the President will meet annually with the portfolio manager for investment performance reviews. Additional meetings may be requested by the Portfolio Manager, CEO, Controller, FRC or EC, as needed.

### **3.6 Travel Policy**

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**General Guidelines:** Oregon REALTORS® reimburses travel expenses up to a designated amount to be determined during the annual budget process based on event. Oregon REALTORS® will reimburse travel expenses per this policy for certain Oregon REALTORS® and NAR positions attending the NAR Legislative Mid-year meeting, NAR Annual Convention, and the NAR Region 12 Conference. Any costs over the approved amount will be paid by the individual.

When traveling on behalf of Oregon REALTORS® (staff and members), an expense report must be submitted within thirty (30) days of the approved business travel being completed. Any exception to this must be approved by the CEO and President. The form must include the staff/member's name, e-mail and mailing address, date(s) of travel, business purpose, and staff/member signature. The completed form and all receipts must be

submitted to Oregon REALTORS® for approval. Oregon REALTORS® will not reimburse expenses which are not in compliance with this policy or IRS requirements. If discrepancies are noted on the expense report, the CEO or Controller will contact the staff/member to resolve the issue. If unresolvable at the staff level, the President must determine whether the item(s) are reimbursable.

After the expense report is approved, it shall be submitted to the accounting department for processing. Tips not included on a receipt for a meal or transportation do not require a receipt but should be described in detail. Expenses of \$25 or less do not require a receipt although it is encouraged.

If a member or staff needs an advance to cover travel costs, the request may be granted on a case-by-case basis by the CEO.

Oregon REALTORS® operates under an “Accountable Plan,” which is an expense reimbursement policy upon the following terms and conditions:

- A. Except as otherwise noted, any person now or hereafter employed by, or acting on behalf of Oregon REALTORS®, shall be reimbursed for any ordinary, necessary, approved, and budgeted business and professional expenses incurred on behalf of the Association only if the expenses are adequately substantiated as required by Oregon REALTORS® policy.
- B. Under no circumstances will Oregon REALTORS® reimburse employees or members for business or professional expenses incurred on behalf of Oregon REALTORS® that are not properly substantiated. Oregon REALTORS® members and employees understand that this requirement is necessary to prevent the Oregon REALTORS® expense reimbursement plan from being classified as a “non-accountable” plan.
- C. All expenses MUST be substantiated within thirty (30) days of the event or the expenses will not be reimbursed.
- D. All charges to company credit cards must be substantiated within 10 days of receiving request from the Oregon REALTORS® Accounting Department.
- E. Pre-approved advances that are not substantiated within 10 days following the travel must be paid back within 45 days.
- F. For reimbursement, receipts must be provided with substantiation to include:
  1. The amount of the expense
  2. The time and place of the expense
  3. The business purpose of the expense

4. The business relationship of the volunteer to the persons receiving a gift, being entertained or utilizing a facility or property
5. Receipts for all lodging required
6. For most other expenses, receipts are only required if the expenditure is more than \$25.

**Reimbursable Expenses:** The following expenses are reimbursable for members/staff traveling on behalf of the Association:

**1. Airline/Rail Transportation:** Members/staff must purchase seating in the Economy or Coach class of fares. Additional costs for premium class seating (ex. first class, business class, economy plus, etc.) are not reimbursable. Tickets should be purchased as early as possible to take advantage of the lowest costs.

- A. Seat assignment fees within the Economy or Coach classes are reimbursable. However, convenience charges such as fees for extra leg room, priority check-in, and express security clearance fees, etc. are not reimbursable.
- B. Checked and carry-on baggage fees (up to a total of 2 checked bags per trip) are reimbursable. However, overweight baggage fees are not reimbursable.
- C. A member can include personal travel in conjunction with an approved business trip; however, the member is responsible for payment of the personal portion of the trip or costs over the cost of a direct economy or coach class ticket.
- D. Members will not be reimbursed for business use of frequent flyer miles or vouchers, vouchers for bumping, discount coupons or other instruments of value. Such discount instruments, if earned because of personally paid travel, should be used for subsequent personal travel.
- E. Costs associated with change of original travel will not be reimbursed unless requested by Oregon REALTORS® to change original travel.
- F. No travel reimbursement will be paid for travel to NAR events or meetings if the individual is reimbursed by NAR or any other entity.
- G. Airline/Rail travel receipts must be submitted with reimbursement requests.

**2. Use of Personal Vehicle – Mileage/Parking:** Reimbursement will be based on reasonable costs and the amount will not be higher than applicable coach air travel costs. Mileage reimbursement is equal to the number of business miles driven multiplied by the current IRS approved mileage rate. Gas used in a personal car is not reimbursed because the IRS includes this expense in

the mileage reimbursement calculation. Actual costs of parking and tolls for approved business trips are reimbursable. Traffic fines and parking violations are not reimbursable.

When using a personal vehicle, the cost of parking at the conference hotel should be considered. Parking costs will be aggregated with mileage and limited by the cost of applicable coach air travel costs.

**3. Taxis/Public Transportation:** Business related local transportation costs are reimbursable (ex. Taxi, UBER, bus, local rail service) including costs to and from the airport. Receipts are required for all expenditures with the business purpose noted.

**4. Lodging:** Depending on the event, lodging will be arranged by the Oregon REALTORS® Executive Assistant (EA) up to the maximum number of reimbursable days based on the length of the meeting. While reservations are made by Oregon REALTORS®, the member/staff will be expected to pay the room and tax upon check-out. If the member/staff wishes to have the room pre-paid, the member/staff should notify the EA and Controller in sufficient time to plan with the hotel. Should the member/staff choose to stay extra nights in addition to the dates set for the meeting, the member/staff is responsible for payment of the nights that are considered the personal portion of the trip and will not be included in any prepayment of lodging.

Should a member/staff find it necessary to cancel hotel reservations, the EA must be contacted during business hours (or the hotel if after hours) so that Oregon REALTORS® does not incur “no show” charges. Hotel receipts which include line-item expenditures and proof of payment must be submitted with expense reports. Unless pre-approved by the CEO or Controller, any fees incurred because of cancellation will be the responsibility of the member/staff.

Committee members who travel less than 75 miles one-way, may only request reimbursement for lodging by submitting a written statement stating reason for extenuating circumstances, along with all applicable receipts. The request and statement shall be sent to the CEO and Controller for review. Reimbursement for lodging, when traveling less than 75 miles one-way, shall be considered only if:

- a. Inclement weather or travel conditions made it unsafe to travel, or;
- b. Committee meetings are scheduled such that staying overnight provides the best and safest option, or;
- c. The cost of staying overnight would be less than the cost of the additional mileage reimbursed for travel to and from home.



**5. Meals and Incidentals:** Oregon REALTORS® reimburses traveling members/staff for the reasonable cost of food and refreshments up to a daily limit of \$150. Costs of meals vary dependent on the geographic area and the member/staff is expected to use prudence. Tips for meals will be included in the total cost of a meal.

The member/staff must track, and report actual expenses incurred to be reimbursed. Receipts are required for all expenditures. If dining with a group, members/staff should request separate checks.

In accordance with IRS requirements, expense reports MUST include the names of any guests entertained and the business purpose.

If Oregon REALTORS® staff entertain guests, the expense must be pre-approved by the CEO. In accordance with IRS requirements, the expense report MUST include the names of the guests and the business purpose.

Oregon REALTORS® leadership may host a group dinner during meetings or conferences. The CEO or the President will pay for the bill for all approved guests. Unless pre-approved by the CEO, any members who bring guests will be expected to request a separate check and pay for their guest(s). If other guests are invited by the President or CEO, the names of the guests and the business purpose must be stated on the receipt.

**6. Tips:** Reasonable tips for regular business meetings are reimbursable. Note that tips for cab fares and meals are reported as a part of those items and are not reported separately.

**7. Telephone/Fax/Internet:** All business calls are reimbursable except air-to-ground (air phone) calls. Where possible, members/staff should use cellular phones to make personal phone calls while traveling on Oregon REALTORS® business to avoid hotel surcharges. Internet charges and fax costs related to the business purpose of the trip will be reimbursable.

**Non-Reimbursable Expenses:** The following expenses are considered non-reimbursable for members/staff traveling on behalf of Oregon REALTORS®:

- Cost of premium airline/rail seating (ex. first class, business class, economy plus, etc.). However, note that fees for seat assignments within coach or economy classes are reimbursable.
- Convenience charges such as fees for extra leg room, priority check-in and express security clearance fees, etc.
- Business use of frequent flyer miles and other discount instruments
- Fees for additional earning of miles

- Traffic fines or parking violations
- Personal entertainment (i.e. in-room movies, airline headphones, books, magazines, costs of museums, shows, tours or transportation related to personal entertainment, etc.)
- Barber or beautician services
- Clothing
- Child-care and pet sitting costs

Any exception to this requires approval by Controller and CEO.

**Elected Volunteer Travel:** Pursuant to the annual approved budget, Oregon REALTORS® will reimburse the President, President-Elect and other designees as determined during the annual budget process, for authorized travel to the Region 12 Conference, NAR Legislative Mid-Year meetings and NAR Annual Conference contingent upon their attendance and participation at all relevant meetings including, but not limited to:

- The Member and Director Update.
- The Oregon Caucus, if scheduled.
- The Region 12 Caucus.
- The National Association of REALTORS® Board of Directors Meeting.
- Capitol Hill visits during the Midyear Meeting.
- In addition to the Board of Directors Meeting, two NAR committee meetings of attendee's choice during the NAR Mid-Year Legislative Meetings and NAR Annual Conference.

Any individual who claims a travel reimbursement (either in advance or post-travel) to attend a NAR event or meeting pursuant to this Policy shall report on meetings attended and significant issues impacting the industry and Oregon REALTORS® to the Executive Committee in writing and/or in person at a subsequent meeting of the Executive Committee or the Board of Directors at the request of the Executive Committee. Written reports of activities shall be submitted prior to or attached to requests for reimbursement of travel expenses. The Executive Committee may forward the reports to local Boards/Associations or request that the individual make a presentation to a local board or association, either in lieu of reporting to the Executive Committee or Board of Directors or in addition to reporting to the Executive Committee or Board of Directors.

Justifiable exceptions to this policy may be made on an individual basis, in advance, by the Oregon REALTORS® President.

If approved in the annual budget, Oregon REALTORS® will also reimburse the spouse/guest of the President and the President-Elect for airfare and reasonable expenses incurred when attending certain National Association of REALTORS® meetings up to an annual maximum of \$2,000.

**REALTOR® of the Year Meeting Expenses:** If the individual chosen as the Oregon REALTOR® of the Year is not otherwise compensated by Oregon REALTORS® or another entity to attend the NAR Annual Convention, Oregon REALTORS® will reimburse its REALTOR® of the Year pursuant to the approved budget.

**Federal Political Coordinator Requirements & Travel:** Pursuant to the Travel Reimbursement Policy and the Annual Budget, Oregon REALTORS® will reimburse each Federal Political Coordinator for authorized travel to the NAR Legislative Mid-year meeting in Washington, D.C. contingent upon meeting all FPC criteria of NAR and participating at all relevant meetings including, but not limited to:

- Pre-Hill visit legislative briefing;
- Capitol Hill Visits during the Midyear Meeting.

**NAR Distinguished Service Award Winner:** If an individual is selected by NAR to receive the Distinguished Service Award and is not otherwise compensated by Oregon REALTORS®, NAR or other entity, Oregon REALTORS® will reimburse the DSA for attendance at the annual NAR Convention immediately following receipt of the award, pursuant to the National Director Travel Policy and the approved budget.

**Complimentary Tickets:** Oregon REALTORS® often holds ticketed events. Admittance to such events is open to anyone who purchases a ticket, except for DSA, ROTY, and installation events. The current year award recipient and those being installed, plus their immediate family (spouse/partner, children and their spouse/partner, and parents) shall receive complimentary tickets as guests of the Association.

### **3.7 Designated Funds**

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**Contingency Fund:** Oregon REALTORS® shall maintain a Contingency Fund with a goal of a minimum balance not less than an amount equal to six months of the previous year's operating budget. The Contingency Fund shall be funded initially from existing cash assets which have accumulated from excess revenue over expenses, as determined by the Executive Committee. The Contingency Fund shall be placed in a separate account with all interest accruing to the Contingency Fund. In the event the Contingency Fund is depleted to less than \$250,000, a \$3.00 special assessment charge to each

Board/Association Member (as defined in Article II, Section 3 of the Bylaws) shall be allocated to the Contingency Fund, effective with the next budget year, and shall remain in effect until the Contingency Fund again reaches the six-month target amount. Nothing in this policy shall be interpreted to limit other funding sources for the Contingency Fund.

The Contingency Fund shall be used to provide funding for unanticipated expenses, to balance the operating budget if revenue projections are not met in any given year, other contingencies or opportunities or for worthwhile programs for which funds were not available when the Board of Directors adopted the then current budget.

Control of the Contingency Fund vests in the Executive Committee. The Executive Committee shall review the adequacy of the amount of the Contingency Fund every year.

**Other Designated Funds:** From time to time it may be necessary to establish special funds for various purposes. Funds established for periods of two (2) years or less will be by motion of the Board of Directors. Funds established for longer periods will necessitate an amendment to the Policy Manual of the Association. In the creation of any fund, the Board of Directors shall specify: 1) source of funds; 2) purpose of fund; 3) authorized use of funds; 4) accrual of interest; 5) fund minimum or maximum balance; and 6) other items as necessary.

### **3.8 Financial Policies**

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Financial policies ensure that assets are safeguarded, that financial statements are in conformity with generally accepted accounting principles, and that finances are managed with responsible stewardship.

All personnel with a role in the management of Oregon REALTORS® fiscal operations are expected to uphold the policies in this manual and those contained within the Internal Control Procedure manual. It is the intention of Oregon REALTORS® that financial policies serve as our commitment to proper, accurate financial management and reporting.

#### **GENERAL:**

1. The Board of Directors formulates financial policies, delegates administration of the financial policies to the CEO, and reviews operations and activities.
2. The CEO has management responsibility including financial management.
3. Current job descriptions will be maintained for all employees,

indicating financial duties and responsibilities.

4. Financial duties and responsibilities must be separated so that no one employee has sole control over cash receipts, disbursement, payroll, reconciliation of bank accounts, etc.
5. All employees involved with financial procedures shall take vacations or leaves of 5 consecutive workdays each year. During such periods, back-up personnel who have been cross trained in their duties will perform their tasks.
6. These policies and procedures will be reviewed annually by the Oregon REALTORS® Executive Committee, which will forward any recommendation for changes on to the Board of Directors.
7. The Internal Control Procedures document will be adhered to and reviewed annually for relevance and to ensure compliance. Reviews and updates will be made by the CEO, Controller and Finance Review Committee.

#### **PURCHASING:**

##### **A. Purchases under \$5,000**

1. All purchases over \$1,000 must be approved in advance by the CEO.
2. The staff program manager is responsible for ordering within the department budget and guidelines.
3. If purchase is less than \$500, the staff program manager is permitted to make purchase as long as within department budget. Invoice copies are to be turned in to the Accounting Department.

##### **B. Purchases over \$5,000**

1. All purchases, including services, over \$5,000 must be approved in advance by the CEO.
2. The staff program manager will obtain at least 3 bids unless prior approval by CEO has been obtained.

## SECTION 4 GENERAL OPERATIONS POLICIES

### 4.1 AUTHORIZED SPOKESPERSON

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The President, President-Elect and the Chief Executive Officer shall be the only authorized spokespersons for Oregon REALTORS®. No other individuals shall speak for Oregon REALTORS® on matters affecting Oregon REALTORS® or its membership as a whole without prior approval of the President or Chief Executive Officer.

### 4.2 SOLICITATION

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Other than RPAC investments, all solicitations for funds, project financing or endorsements will be submitted to the Executive Committee for approval or recommendation to the Board of Directors prior to funding, financing, or implementation of the endorsement. Donation requests from religious, educational, philanthropic, or civic organizations will be treated as a solicitation.

### 4.3 MAILING LISTS

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The Association will not sell or divulge member e-mail addresses to non-REALTOR® groups.

The names, physical addresses, and email addresses of all current committee members, Board of Directors and Executive Committee members will be posted on the members-only section of the Oregon REALTORS® website. All members will be required to agree to a use disclaimer prior to access to contact information.

### 4.4 COMMITMENT TO FREE TRADE & COMPETITION

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Oregon REALTORS® does not and will not establish or maintain fixed or recommended commission rates, listing terms or services provided to principals. Commissions, listing terms and services are a matter of negotiation between the principal and the principal's agent. Oregon REALTORS® will not interfere in such negotiations or inhibit or restrict in any way the freedom of members to negotiate their own business agreements. In order to avoid even the appearance of anti-competitive behavior or purpose, participants in all meetings called or sponsored by Oregon REALTORS® will discuss only the legitimate business purposes of the

Association as prescribed in the meeting agenda and recorded in the minutes of the meeting. The chairperson of any meeting called or sponsored by Oregon REALTORS® shall not allow discussion of commission rates, listing terms, services, or other subjects that might be viewed as potentially anti-competitive, and will remind those in attendance of the Association's commitment to free trade and competition. If anyone in attendance at a meeting called or sponsored by Oregon REALTORS® persists with discussions that could give the appearance of anti-competitive behavior or purpose, the meeting shall be adjourned. The minutes of the meeting shall reflect the reason for adjournment and the incident shall be reported immediately to the Legal Affairs Department.

The following shall serve as guidelines for Oregon REALTORS® concerning restraint of trade:

- It is the intention of Oregon REALTORS® to comply fully with antitrust statutes.
- All governance personnel, governance advisory personnel, staff, and members of the Association shall refrain from any restraint of trade activities.
- The CEO or Legal Counsel shall periodically update members concerning restraint of trade problems.
- The CEO may obtain legal counsel review of all new Association programs or changes in existing programs that may have potential restraint of trade implications.
- All board meetings shall be regularly scheduled, whenever possible.
- The staff may obtain legal counsel review of any meeting agenda items that may have potential restraint of trade implications.
- Any action which had the effect of rejecting a membership application or suspending or expelling a member should be reviewed by Legal Counsel before becoming final.
- A record retention and disposal program shall be developed and implemented.
- Neither governance personnel, governance advisory personnel, nor staff shall communicate with officials of the Federal Trade Commission or the Antitrust Division of the Department of Justice without prior approval of the Oregon REALTORS® President and Chief Executive Officer.
- The following topics shall be avoided at any meeting of the Oregon REALTORS®:
  - Current or future prices
  - "Fair" profit levels
  - Increases or decreases in prices
  - Standardization or stabilization of prices

- Pricing procedures
- Cash discounts
- Credit terms
- Control of sales or services
- Allocation of markets
- Refusal to deal with a corporation because of its pricing or distribution practices.
- Whether or not the pricing practices of a colleague are ethical, appropriate, unethical or constitute an unfair trade practice.

#### **4.5 NOTIFICATIONS**

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In the event any officer, or member of the Executive Committee or Board of Directors is made aware of any policies, activities or decisions of a local board/association which may have an immediate or potential impact on other local boards/associations, Oregon REALTORS® or its general membership, such information shall be reported to the CEO for appropriate action, if any.

#### **4.6 WHISTLE BLOWER POLICY**

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Oregon REALTORS® is responsible for the stewardship of member and employee contributions and resources. In fulfilling that responsibility, the Association is committed to compliance with all laws and regulations to which it is subject. In addition to complying with the law, the Association is committed to the ethical and fair treatment of its volunteers and employees. This policy provides an avenue for volunteers or employees, without concern that they will be subject to retaliation or reprisal, to raise concerns regarding financial wrongdoing which may include, but is not limited to:

- Questionable accounting practices;
- Fraud or deliberate errors in financial statements or recordkeeping;
- Deficiencies in accounting controls;
- Misrepresentations to the Executive Committee or Board of Directors regarding the financial condition of the Association; and
- Intentional or unintentional violations of laws or regulations.

If any volunteer or employee reports, in good faith, what the volunteer or employee believes or knows to be a violation of the law and/or financial wrongdoing to the Association, it is the Association's policy that there will be no retaliation taken against the volunteer or employee. Any volunteer or employee will be subject to discipline up to, and including, dismissal from the volunteer position or termination of employment if they, against this policy,



retaliate against someone who has in good faith reported their concern. In turn, allegations made in bad faith, if proven to be unsubstantiated and made maliciously, recklessly or with the knowledge that the allegations were false, will be viewed as a serious offense and may result in discipline, up to and including dismissal from the volunteer position or termination of employment.

Any report of a known or suspected violation of the law and/or financial wrongdoing should be reported to the CEO and/or the current sitting president for investigation and appropriate action. In the event the charge is against the CEO, the report of a known or suspected violation of the law and/or financial wrongdoing should be reported to the current sitting president or Immediate Past President for appropriate action. To the extent possible, reports made under this policy will be kept confidential consistent with the need to conduct an adequate investigation. The whistle blower procedure is intended to be used for serious issues and, as such, volunteers and employees are reminded of the importance of keeping financial matters confidential.

#### **4.7 ACCESS TO LEGAL COUNSEL**

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Legal counsel staff will be available to discuss governance issues and other issues impacting or regarding Oregon REALTORS®. Legal counsel will not be generally available to discuss or give legal advice regarding personal business or private legal matters.

#### **4.8 AFFINITY PROGRAMS, PRODUCTS & SERVICES**

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The propriety and value of all affinity programs, products and services will be measured against the following criteria:

- Must fall within the scope of the strategic priorities.
- Must address a member need or provide a member benefit.
- Must represent a dollar savings or other benefit that the members cannot obtain in the open market.
- Must have an adequate potential market.
- May not unreasonably increase expenses or staff effort of Oregon REALTORS®.
- May not significantly increase the legal liability of Oregon REALTORS®.

#### **4.9 National Association of REALTORS® Regional Vice President Support**

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Oregon REALTORS® will provide an amount annually budgeted to the home state of the then current NAR Region 12 Vice President to help defray travel costs for the Region 12 Vice President to attend NAR meetings and expenses for the Region 12 Conference.

#### **4.10 REGION 12 NOMINATING COMMITTEE, REGIONAL STRATEGIC PLANNING, AND FINANCE COMMITTEE APPOINTMENTS**

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The Oregon REALTORS® President or the President's designee shall serve as Oregon's representative on the Region 12 Nominating Committee. The President of Oregon REALTORS®, on every other year basis, shall appoint a designee to serve as Oregon's representative on the Region 12 Strategic Planning and Finance Committee. The designee shall serve a two-year term and must be a past or present NAR Director.

#### **4.11 ENDORSEMENT OF CANDIDATES FOR THE NATIONAL ASSOCIATION OF REALTORS® OFFICE**

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The Oregon REALTORS® National Directors, by a 2/3 majority vote of all Directors, shall have the sole authority to endorse a candidate or candidates for NAR office on behalf of Oregon REALTORS®, and shall do so in a time and manner which will provide maximum benefit to and for Oregon REALTORS®. This shall include Eligible Candidates for NAR First Vice President and Treasurer, and those candidates from Oregon seeking state endorsement in order to meet the requirements to run for NAR First Vice President, Treasurer, or Regional Vice President. Oregon REALTORS® may endorse more than one qualified member to run for Regional Vice President but may not establish criteria for RVP eligibility that is different than the criteria that is set forth by NAR.

Nothing in this Policy shall require or authorize the Executive Committee to financially support such candidate or candidates or to commit staff resources to such candidate or candidates' campaigns.

#### **4.12 VACANCY OF NATIONAL DIRECTOR POSITION**

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Should an NAR Director be elected to the position of Region 12 Vice President and their term as Director is concurrent with all or part their RVP position, the Director shall vacate their NAR Director position for their term as RVP and the vacancy shall be filled pursuant to the requirements of NAR Policy. Should their term as NAR Director exceed their term as RVP, at the end of their RVP

term they shall assume their original position as an NAR Director and serve the remainder of that term. Should a large board NAR Director be elected as RVP, the large board will replace the Director for the term of the RVP pursuant to NAR Policy.

Should any NAR Director from Oregon be appointed as an NAR Executive Committee member or as a Committee Liaison, and their term as Director is concurrent with all or part the term of their appointed position, the Director shall continue to serve out that term as elected, pursuant to Article IV Section 1(B) & (H) of the NAR Constitution

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#### 4.13 POLICY FOR STATE PROFESSIONAL STANDARDS HEARING

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Unless otherwise stipulated in this document, the procedures to be followed shall be those recommended by NAR in the *Code of Ethics and Arbitration Manual*. As authorized by the NAR Code of Ethics and Arbitration Manual, the Association will implement a Board of Directors approved citation policy whereby, for certain offenses and under certain conditions, a member can waive their right to a hearing and accept a penalty set according to a pre-established citation schedule. The Professional Standards Committee will recommend to the Board changes to the citation policy and schedule as needed. The citation policy and schedule is available to members upon request by contacting the Association's Professional Standards Administrator.

#### 4.14 SEXUAL HARASSMENT

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**Generally:** Oregon REALTORS® has a strict policy prohibiting all forms of sexual harassment. The policy applies to all employees when they are acting within the scope of their employment and to employees and members in connection with any Oregon REALTORS® function.

No employee or member shall engage in any conduct constituting sexual harassment. No employee or member against whom a charge of sexual harassment has been made shall in any manner seek reprisal against the employee or member making the charge.

An employee or member who observes an act of sexual harassment shall report the act to the CEO or to a member of the Association's Executive Committee.

**Definition:** "Sexual Harassment" is defined for purposes of this policy as any unwelcome sexual advance, request for sexual favors or other verbal or physical conduct of a sexual nature or with sexual overtones. It includes, but is not limited to:

- Offensive comments;
- Jokes or suggestions about the gender or gender-related physical attributes of another;
- Sexually suggestive jokes, profanity or euphemisms;
- Obscene or lewd gestures;
- Unwanted physical contact;
- The display of sexually explicit or suggestive pictures, drawings, or written materials; or
- A social invitation accompanied by a discussion of performance reviews, evaluation, or merit considerations.

**Enforcement:** All charges that an Oregon REALTORS® employee has sexually harassed a member or another employee shall be referred to the CEO for investigation and appropriate action in accordance with Oregon REALTORS® personnel policies. All charges that a member or the CEO has sexually harassed an Oregon REALTORS® employee or that the CEO has sexually harassed a member shall be referred to the Executive Committee for appropriate action, which may include, without limitation, counseling, verbal or written reprimand, or expulsion from the organization.

#### **4.15 NONDISCRIMINATION**

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Oregon REALTORS® believes that every employee has the right to work in surroundings that are free from all forms of unlawful discrimination. It is Oregon REALTORS® policy that employees be treated fairly at all times, without regard to race, religion, color, sex, sexual orientation, pregnancy, childbirth, national origin, ancestry, marital status, or age (if the employee is 18 years or older) or of any person with whom the employee associates, or any expunged juvenile criminal record or physical or mental handicap of the employee, or because REALTORS® employs a family member of the employee, or on any other basis prohibited by local, state, or federal law. All allegations of discrimination shall be referred to CEO for investigation and appropriate action.

#### **4.16 USE OF CELL PHONES WHILE DRIVING**

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- Employees and member volunteers shall not use a cellular phone to conduct association business while operating a motor vehicle unless using a hands-free headset in traffic conditions that allow for the safe operation of the vehicle. If traffic conditions do not allow for the safe operation of the vehicle while using a hands-free headset, the employee or member volunteer shall discontinue the call or leave the road and safely park the vehicle for the duration of the call.
- No employee shall dial a cellular telephone while operating a motor vehicle except by means of one-touch dialing, voice recognition or other automated means that allows full concentration on operating the vehicle. If a call must be dialed by ordinary dialing means, the employee or member volunteer shall leave the road and safely park the vehicle while dialing.
- Only short conversations may be conducted while driving. Participation in a telephonic conference, meeting, or other extended conversation while driving shall not be allowed unless the employee or member volunteer leaves the road and safely parks the vehicle for the duration of the call.

Violation of this cellular telephone policy shall be grounds for employee discipline up to and including termination.

#### **4.17 MEDIA COOPERATION**

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The media may be a means of communicating not only with various sectors of the public but also the members of Oregon REALTORS®. The position of the Association is to cooperate with the media so as to accomplish the following objectives:

- Develop cooperative relationships and free exchange of communications.
- Provide an avenue to influence various publics relating to REALTOR® issues.
- Promote REALTOR® policies and positions.
- Promote the professional identity of Oregon REALTORS® and its members.

The President or CEO shall be the official spokesperson for Oregon REALTORS® and shall delegate this responsibility whenever necessary to that member of the Association or staff most capable of addressing the issue.

#### **4.18 PUBLIC REQUESTS FOR REFERRALS**

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Oregon REALTORS® does not respond to requests from the general public, written or verbal, for references or recommendations of individual members for the purpose of hiring a mentor for professional real estate activity services.

## SECTION 5

### BOARD OF DIRECTORS' COMPLIANCE CODE

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Oregon REALTORS® Board Members will:

- Act in the best interests of, and fulfill their obligations to the Oregon 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 Oregon 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 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; and
- Make available to, and share with, fellow directors information as may be appropriate to ensure proper conduct and sound operation of Oregon REALTORS® and its Board of directors.

I understand I am encouraged, but not required to be an RPAC major investor.

A Board member who has concerns regarding compliance should raise those concerns with the President, 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 Oregon REALTORS®, it must be approved by the Executive Committee.

Board members will annually sign a confirmation prior to the first Board of Directors meeting for the year, that they have read and will comply with this code.

DIRECTOR'S NAME (print): \_\_\_\_\_

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

LOCAL ASSOCIATION: \_\_\_\_\_