

POLICIES & PROCEDURES OF THE
 HIGHLAND LAKES ASSOCIATION OF REALTORS®
 (UPDATED JULY 2018)
 TABLE OF CONTENTS

MISSION STATEMENT	3
Article 1: ADMINISTRATION	3
Section 1: BOARD OF DIRECTORS	3
Section 2: DUTIES OF THE:	4
Section 3: IMPEACHMENT	5
Section 4: COMMITTEES	6
Article 2: NOMINATION AND ELECTION GUIDELINES	8
Section 1: NOMINATIONS & ELECTIONS	8
Section 2: GUIDELINES FOR NOMINEES	8
Section 3: VACANCIES	8
Article 3: VOTING RIGHTS	8
Section 1: BOARD OF DIRECTORS	8
Section 2: GENERAL MEMBERSHIP	9
Article 4: MEETINGS	9
Section 1: BOARD OF DIRECTORS	9
Section 2: GENERAL MEMBERSHIP	9
Section 3: QUORUM	9
Section 4: GUESTS	9
Section 5: COMMITTEES	10
Section 6: BOARD OF DIRECTORS MEETING/DISCUSSION MINUTES	10
Article 5: FINANCIAL	10
Section 1: CONTRACTS	10
Section 2: CHECK WRITING / CREDIT CARD AUTHORIZATION	10
Section 3: RETURNED CHECK POLICY	10
Section 4: FEES AND DUES COLLECTION	10
Section 5: EXPENSE REIMBURSEMENT FOR TRAVEL	11
Section 6: NAR / TAR EVENTS REIMBURSEMENT	11
Section 7: PETTY CASH / REAL ESTATE STORE TIL	12
Section 8: EXPENDITURES	12
Section 9: CHARITABLE DONATIONS / EXPENDITURES	13
Section 10: RESERVES & INVESTMENTS	13
Section 11: BANKING	13
Section 12: REFUNDS	13
Article 6: BUSINESS POLICIES & PRACTICES	13
Section 1: OFFICE HOURS	13
Section 2: USE of BOARD OFFICE & EQUIPMENT	13
Section 3: FISCAL POLICY	14
Section 4: MEDIA CORRESPONDENCE	14
Section 5: MEMBERSHIP ROSTER	14
Section 6: SOLICITATIONS	14
Section 7. POLITICAL ENDORSEMENTS	14
Section 8: COMMUNICATION	15
Section 9: DEATH OF A MEMBER	15
Section 10: NEW MEMBER ORIENTATION	15
Section 11: MEMBER GUESTS	15
Section 12: ZERO TOLERANCE	15
Section 13: AFFILIATE MEMBERS	15

Section 14: PERSONNEL POLICY.....	15
Section 15: SOCIAL MEDIA POLICY FOR LEADERSHIP.....	16
Article 7: AWARDS & RECOGNITION	17
Section 1: AWARDS.....	17
Section 2: SCHOLARSHIPS.....	17
Article 8: BYLAWS AMENDMENTS.....	17
Section 1: ENFORCEMENT	17
Article 9: NAR MANDATED CORE STANDARDS.....	18

MISSION STATEMENT

"Highland Lakes Association of REALTORS® (HLAoR) is an organization of Real Estate Professionals committed to a higher level of ethical standards, created to enhance personal and professional growth of its members through information, education, and community involvement."

ARTICLE 1: ADMINISTRATION

Administration of this Association shall consist of the elected Board of Directors, hereinafter referred to as the "Board of Directors".

SECTION 1: BOARD OF DIRECTORS

The government of the Association shall be vested in the Board of Directors, who shall make all decisions pertaining to policy and procedure of the Association. These decisions should be made with the well-being of the Association, as a whole, in mind.
Executive Board Officers:

President- serving a one-year term, having been President-Elect and shall succeed to the office of Past President/ Ex Officio.

Vice President- serving a one-year term and shall succeed to the office of President through election process.

Past President/ Ex Officio - serving a one-year term having been the President of the preceding year.

Secretary/Treasurer- serving a one-year term.

Directors:

Six (6) local REALTOR® members shall be elected to serve as Director- serving a rotational three (3) year term or as set forth in the Bylaws of this Association
One (1) TAR Director as nominated by the Highland Lakes Association of REALTORS® and authorized by the Texas Association of REALTORS®, serving a three (3) year term.

Term Limits:

No Director shall serve for more than two (2) consecutive three (3) year terms.
No more than three (3) REALTOR® members under the same real estate office may simultaneously serve on the Board of Directors.

The membership has a right to expect from every Board of Director member, good faith, reasonable care, and prudence in the consideration of every situation, decision or question that is presented to the Board of Directors in managing the Association affairs.

The Board of Directors is to approve the operating budget prepared under the direction of the Association Executive and the Budget/Finance Committee.

The Board of Directors shall approve and fund all committee activities.
The Board of Directors shall have charge of the general conduct of the affairs of the Association and shall enact such rules for its government as deemed expedient

providing that the same shall not be inconsistent with the Bylaws of the Association.

The Board of Directors shall have exclusive management of all finances of the Association. The Board of Directors may, at any time, cause an audit to be made of the books and accounts of the Highland Lakes Association of REALTORS® by a certified public accountant appointed by the Board of Directors.

It shall be the duty and responsibility of the Board of Directors to see that the membership is kept reasonably and properly informed on all matters of particular interest and concern to the membership in respect to the real estate business and the Association. It shall be the further duty and responsibility of the Board of Directors to secure, where time permits, the views of the membership upon any subject or subjects of particular concern to the membership, this procedure to be particularly applicable where the Board of Directors is called upon to pledge the support of the Association on matters affecting the real estate business and on matters of civic or national interest. The object of this provision being to see that the majority views of the membership are ascertained on matters of importance before the Board of Directors adopts positions on behalf of the Association in respect to such matter.

SECTION 2: DUTIES OF THE:

President

The chief duties of the President are to (1) act as chief administrative officer and legal head of the Association; (2) see that the basic policies, general activities and programs that will further the goals and objectives of the Association are planned, formulated, and presented to the Association; (3) see that the membership is kept fully informed of the conditions and operations of the Association; (4) exercise general supervision over the Association and all its activities and members; (5) preside at and attend all general membership meetings and meetings of the Board of Directors of the Association; (6) call special meetings when necessary; (7) appoint committee chairpersons and be ex-officio member of all committees, outline the purpose and duties of these committees, and monitors progress; (8) represent and speak for the Association to other organizations and to the public; (9) support and defend policies and programs adopted by the Association; (10) promote interest and active participation in the Association; (11) sign letters or documents necessary to carry out the will of the Association; (12) see that harmony is preserved and that the Bylaws and Policies of the Association are enforced; (13) in cooperation with those in financial responsibility, operate within an annual budget; (14) see that the finances of the Association are reviewed at least annually by a Board approved, independent CPA firm; (15) promote good will, create a favorable public image, articulate the real estate position of the Association and develop credibility in matters relating to the real estate industry.

Vice President

The Vice President shall take office of the President upon resignation, death, incapacitation or impeachment of the President and shall complete the remaining term unless otherwise determined by the Board of Directors. The chief duties of the Vice-President are to: (1) assist the President and (2) perform such other duties as may be delegated to him/her by the President or the Board of Directors.

Ex Officio

The Past President shall automatically have been the preceding President and shall continue to serve on the Board of Directors and shall provide assistance to the Board of Directors as necessary.

Secretary/Treasurer

The chief duties of the Secretary are to: (1) assist the Association Executive and officiate in keeping correct minutes of all meetings of the Association; (2) perform any other duties as may be delegated to him/her by the President or the Board of Directors.

The chief duties of the Treasurer are to: (1) work through the Association Executive, and in cooperation with the CPA of the Association and see that proper accounting practices are carried out in maintaining the records of the Association, reporting to the Association as to the satisfactory condition or otherwise of the books of the Association; (2) exhibit books and records to the Association upon demand by the Association; (3) advise the Association in regard to financial matters; (4) be Chairman of the Finance Committee; (5) prepare and present statements of condition of Association funds when so required and requested by the President; (6) review monthly financials as produced by the Association's bookkeeper and independent CPA firm.

Directors

The chief duties of the local Directors are to: (1) direct committees assigned to him/her and serve as a member of committees; (2) report to the President and Association on all Association activities handled by him/her; (3) be responsible for the general conduct of the affairs of the Association and assist in enacting such rules and regulations for its government as may be deemed expedient providing that the same shall not be inconsistent with the Bylaws or Policies; (4) see that the membership is kept reasonably and properly informed on all matters of particular interest and concern to the membership in respect to the real estate business; (5) perform such other duties as are prescribed by the President or Association.

TAR Director

The chief duties of the TAR Director are to: (1) keep informed on matters affecting real estate in the community, the State and Nation and contribute responsibly to the Association on such matters; (2) make sure the aims and objectives of the State Association are accepted and carried out at the local level; (3) bring programs and issues from the Highland Lakes Association of REALTORS® to the attention of the State Association, as required; (4) perform such other duties as are prescribed by the President or Association.

Association Executive

The chief duties of the Association Executive (AE) are to: (1) be responsible to the Board of Directors for the effective management of all affairs of the Association; (2) make recommendations and participates in the formulation of the Association's mission, goals, objectives, and related policies; (3) Within this framework, the AE plans, organizes, coordinates, controls, and directs the staff, and coordinates programs and activities. Also provides staff liaison to all committees; (4) to take action on any matter of the Association which may arise between regular meetings of the Board of Directors; (5) Recommend to the Directors appropriate action with regard to policy decisions and general executive decision that the Directors must make from time to time; (6) monitor needed bylaw changes and recommend changes to the Board of Directors as needed.

SECTION 3: IMPEACHMENT

In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure: (a) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the voting membership or a majority of all Board of Directors members shall be filed with the President, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed disqualified from further service. (b) Upon receipt of the petition, and not less than twenty (20) calendar days or more than forty-five (45) calendar days, a special meeting of the voting membership of the Association shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director and to render a decision on such petition. (c) The special meeting shall be noticed to all voting members at least ten (10) days prior to the meeting, and shall be conducted by the President of the Association unless the President's continued service in office is being considered at the

meeting. In such case, the next-ranking officer will conduct the meeting of the hearing by the Board of Directors. Provided a quorum is present, a three-fourths vote of the members present and voting shall be required for removal from office.

SECTION 4: COMMITTEES

The President shall appoint a chairman for the following standing committees from among REALTOR® and affiliate members, subject to confirmation by the Board of Directors. Board registered assistants may also serve as committee members.

The President has the authority to combine committees for the duration of his or her term with the approval of the Board of Directors.

Task Forces

The President shall appoint, subject to confirmation by the Board of Directors, task forces as deemed necessary. All task forces shall be of such size and shall have duties, functions, and powers as assigned by the President or the Board of Directors except as otherwise provided in the Bylaws and Policies and Procedures. The President shall be an ex-officio member of all standing committees and task forces and shall be notified of their meetings. As ex-officio member, the President has all the rights, responsibilities, and duties of any other member of the committee, including the right to vote.

TREPAC

The TREPAC Committee is a bipartisan group of real estate professionals working to protect private property rights for REALTORS®, as well as property owners. The committee will encourage TREPAC contributions from HLAoR members and affiliate members and raise funds through special events

Membership

The Membership Committee is charged with the recruitment and involvement of members in the Association. The committee will promote the services, privileges, and benefits of being a REALTOR® and organize the Association meetings.

Public Relations

The Public Relations Committee is charged with the responsibility of promoting/enhancing the Association projects as well as the REALTOR® image to the general public and the REALTOR® affiliate public. This committee will also communicate for the membership on other committees' activities by serving as a support mechanism for media coverage and articles.

Education

The Education Committee is charged with providing education opportunities for members' personal development, growth and success in their profession. Creativity, excitement, meeting member needs, focusing on the future must be taken into account. This committee should plan, promote, and implement a number of educational programs, including professional designations, licensing renewal courses, and special seminars throughout the year. This committee is responsible for the orientation session required for membership.

Governmental Affairs

The Governmental Affairs Committee is responsible for identifying, analyzing, and recommending an Association position to the Board of Directors on local, state, and national issues that affect the real estate industry and private property owners. This committee shall communicate and act on those issues approved. In addition, committee members interview and recommend endorsements of political nominees at all levels of government. Political involvement is prompted through Calls for Action, support of political campaigns, political forums and grassroots lobbying.

Budget/Finance

The Budget/Finance Committee is responsible for creating the Association's annual budget based on the Strategic/Annual Plan, and submitting same to the Board of Directors for final approval. It reviews membership changes, monitors, and maintains adequate Association investments, researches new sources of income and reviews the performance of the budget throughout the year, recommending adjustments if necessary. This committee is also responsible for reviewing annually the tax appraised values of all properties owned by HLAoR.

MLS

The MLS Committee is responsible for keeping the MLS system current and applicable for our member's needs, monitor membership use with regard to MLS Rules and Regulations, and assist Board staff with MLS rule interpretation and compliance.

Technology

The Technology Committee is responsible for keeping up-to-date on the ever changing world of technology and what effects it has on the real estate business and the success of the REALTOR® profession.

Nominating

The Nominating Committee of at least (5) five REALTOR® members shall be appointed by the President with the approval of the Board of Directors at least 2 months prior to the annual meeting. The purpose of this committee is to make and review nominations and assist the Association Executive with the election procedures as set forth by the Bylaws of this Association. This committee shall be responsible for all nominations for REALTOR of the Year, Rookie of the Year or any other special awards to be presented at the annual Awards Program in conjunction with the Installation Banquet to be held in December of each year. Nominations for these awards must be made and selected a least one month prior to event to allow time for awards to be order and engraved.

Property Tours

The Property Tours Committee will oversee the scheduling of monthly property tours to allow members of the Association the opportunity to showcase their listings to other members. Each month, a designated area of the Highland Lakes will be selected and 10 members will have the opportunity to showcase their listings on a first come, first served basis.

Tours will be held on a regular date/time each month. Those participating will meet at a designated location and follow a route to each property.

Community Service

The Community Service Committee will serve to facilitate community outreach efforts on behalf of the HLAoR membership. The committee will decide upon and execute at minimum one community service project per year. The project(s) may change from year to year, to be decided upon by the committee.

Bylaws

The Bylaws committee conducts a yearly review of the Association Bylaws, the Association Policies and Procedures and the MLS Rules & Regulations to ascertain conformance with the NAR guidelines and directives from the HLAoR Board of Directors. This committee shall draft and present recommended changes to the Board of Directors for approval.

Article 2: NOMINATION AND ELECTION GUIDELINES

SECTION 1: NOMINATIONS & ELECTIONS

At least two months before the annual election, a Nominating Committee of five (5) REALTOR® members shall be appointed by the President with the approval of the Board of Directors. The Nominating Committee shall select one (1) candidate for each office and accept all nominees who meet Association approved criteria for each place to be filled on the Board of Directors. In addition, every third (3rd) year the Nominating Committee shall select two (2) nominees for TAR Director. The report of the Nominating Committee shall be mailed or where permitted by state law, electronically transmitted to each member eligible to vote at least three (3) weeks preceding the election. Additional nominees for the offices to be filled may be placed in nomination by petition signed by at least 10% of the REALTOR® members eligible to vote. The petition shall be filed with the Association Executive at least two (2) weeks before the election. The Association Executive shall send notice of such additional Nominations to all members eligible to vote before the election.

SECTION 2: GUIDELINES FOR NOMINEES

President: Shall have served a minimum of one (1) year on the Highland Lakes Association of REALTORS® Board of Directors, and be a member in good standing for a minimum of three (3) years.

Vice-President: Shall have served a minimum of one (1) year on the Highland Lakes Association of REALTORS® Board of Directors, and be a member in good standing for a minimum of two (2) years.

Secretary/Treasurer: Shall have served a minimum of one (1) year on the Highland Lakes Association of REALTORS® Board of Directors, and be a member in good standing for a minimum of two (2) years. Additionally, shall have determined experience working within the financial sector or have other previous applicable experience.

Directors: Shall have demonstrated their level of service of at least one (1) year within the past five (5) year period through committee leadership and/or involvement and be a member in good standing for a minimum of one (1) year. No more than (2) two REALTOR® members from the same real estate office may simultaneously serve on the HLAoR Board of Directors.

SECTION 3: VACANCIES

Vacancies during a term among the Offices of the Board of Directors shall be filled by a simple majority vote of the Board of Directors. The appointee shall serve the balance of the unexpired term.

Article 3: VOTING RIGHTS

SECTION 1: BOARD OF DIRECTORS

The President shall have one (1) vote ONLY in the event of a tie on issues brought to

election of the Board of Directors. All Directors including the TAR Director and Ex-Officio shall have one (1) vote each on issues brought to election of the HLAoR Board of Directors. The Association Executive does not have voting rights.

SECTION 2: GENERAL MEMBERSHIP

Each REALTOR® member of the Highland Lakes Association of REALTORS® will have one (1) vote on issues brought forth to election within the General Membership.

ARTICLE 4: MEETINGS

SECTION 1: BOARD OF DIRECTORS

The Board of Directors shall designate a regular time and place of meetings. Absence from more than three (3) regular meetings without notice/reason shall be construed as resignation. The Executive Board cannot make decisions independent of the entire Board of Directors but may make proposal for action to the Board of Directors to approve.

It is recommended that the new Board of Directors members for the following year will meet in November of the previous year with the then current Board of Directors to review procedures manual and appropriate meeting procedures; however, new directors will not have a vote until after installation.

SECTION 2: GENERAL MEMBERSHIP

Dates for the General Membership meetings are determined by the Membership Committee and/or as set forth by the Bylaws of this Association unless it is deemed necessary to call a special meeting by the Board of Directors. Attending members must RSVP in advance.

Meetings of the members may be held at other times as the President or the Board of Directors may determine, or upon the written request of at least 10% of the members eligible to vote.

SECTION 3: QUORUM

A quorum for the transaction of business of the General Membership shall consist of 10% of the members eligible to vote. A quorum for the Board of Directors shall consist of 51% of Officers and Directors present for the transaction of business. A quorum for the election of officers and directors shall consist of 20% of members eligible to vote.

SECTION 4: GUESTS

Board of Directors Meetings- Any member of the Association shall be permitted to attend regularly scheduled Board of Directors meetings as an observer only. Only with previous notification to the Association Executive and placement on the agenda can a guest member address the Board of Directors. Any visiting member will not be eligible to vote and may be asked to be excused for discussions held in Executive Session. Other guests may be asked to attend for committee reports or general information that may aid the Board of Directors in decision making.

SECTION 5: COMMITTEES

New committee chairs for the following year will meet in November of the previous year with the then current committee chairs to review procedures manuals and appropriate meeting procedures.

SECTION 6: BOARD OF DIRECTORS MEETING/DISCUSSION MINUTES

Board of Directors Meeting/Distribution: The Association Executive or appointed staff shall keep correct minutes of all Board of Directors meetings of the Association and distribute such minutes to the General Membership upon request.

ARTICLE 5: FINANCIAL

SECTION 1: CONTRACTS

To be signed only by the President or Association Executive, after being reviewed by the President. Personal liability may apply for all others.

SECTION 2: CHECK WRITING / CREDIT CARD AUTHORIZATION

Any two (2) signatures will be required from the following authorized individuals: President, Vice President, Treasurer and Ex-officio. The Association Executive is not eligible to sign checks; however, may authorize expenditures of no more than \$500 without approval of the Budget/Finance Committee. However, the Association Executive is authorized to make travel related purchases (flights, hotels, registration fees, etc.) in excess of \$500, which have been included in the annual Association budget.

The Association Executive will be responsible for ensuring all signature cards for active association accounts; to include, but not limited to all DDA, MMA, and CD's, are updated no later than December 31st of each year. A letter stating a change in this association's officers, along with a copy of the minutes which include the election certification will be submitted to each financial institution as documentation that a change in signers has occurred.

SECTION 3: RETURNED CHECK POLICY

A \$35 returned check fee will be assessed for all checks returned for non-sufficient funds. After issuance of an NSF check; only cash or cash equivalent instruments (ie. Cashier's Check or Money Order) will be accepted for payment for one (1) year.

SECTION 4: FEES AND DUES COLLECTION

MLS Fees are billed to the Designated Realtor / Broker on a quarterly basis. MLS fees are billed by invoice to the company and sent to the Designated Realtor / Broker. Payment is collected by one form for total amount due per invoice. MLS fees are billed on the first day of each quarter and due on or before the last day of the billing month. All

unpaid invoices as of the first day of the second month of the quarter are assessed a \$200 late fee. All past due accounts are temporarily disconnected from MLS and key services. Total amount of invoice and assessed late fee must be paid in full in order to have MLS and key access reinstated. Reminder email notices may be sent as a courtesy to our members. All remaining unpaid accounts after thirty (30) days from the date in which the late fee was assessed, will be terminated. All joining fees will apply should membership be re-established after this date.

Annual Association Dues are billed annually and due by December 1st preceding the start of the calendar year. Annual dues billing is normally generated in mid-October and email notification is sent to each Primary and Secondary Association member. After December 1st a late fee of \$50 is assessed to unpaid invoices. If payment is not received by January 1st, MLS and key access is disconnected and an additional \$100 reactivation fee is assessed. Full payment must be received prior to reinstatement of membership and MLS service. All remaining unpaid memberships will be terminated on February 1 of current year. All joining fees will apply, should membership be re-established after this date. Every effort is made to notify the members by email and MLS messaging.

Emails are a courtesy and are sent with every effort. HLAoR is not responsible for incorrect email addresses or email accounts that are not monitored. All members are encouraged to keep information up-to-date with this Association.

When there is a change in membership status where a fee is involved, all fees must be paid in full before administrative changes will be made at HLAoR. Should the member not satisfy his/her financial obligation when the membership change is requested, membership will be suspended and/or terminated. The agent(s) will have ten (10) business days to bring everything current and in compliance.

SECTION 5: EXPENSE REIMBURSEMENT FOR TRAVEL

The Association Executive will take in all reimbursement requests by Board of Director members, committee leaders, or other volunteers who acquire expenses while doing official Board business. All expenses for meetings, conventions, and/or conferences being participated in by said individuals will be approved in advance by the Board of Directors. Receipts for reimbursement must be submitted no more than thirty (30) days after costs are incurred. If extenuating circumstances arise and unexpected expenses are requested, these expenses will be reviewed by the four approved check signers. Any unreasonable expense will be sent to the Board of Directors for approval. All expenses shall fall in line with the budget.

Section 6: NAR / TAR EVENTS REIMBURSEMENT

NATIONAL ASSOCIATION OF REALTORS® EVENTS (that involve paid travel):

NAR LEGISLATIVE CONFERENCE:

Eligible attendees are as follows:

- President – or their designated appointee
- Vice-President – or their designated appointee
- 1 additional Director (selected by application process*)
- GA Chair or their appointee from the GA committee
- AE or designated staff member

NAR LEADERSHIP SUMMIT:

Eligible attendees are as follows:

- Incoming President (Current Vice-President)
- AE or designated staff member

NAR CONFERENCE (Fall):

Eligible attendees are as follows:

- President Elect
- Vice-President Elect
- 2 additional Directors (selected by application process*)
- AE or designated staff member

* Applications will be submitted to the HLAoR Executive Team for selection.

- HLAoR pays hotel, registration, airfare, parking at airport and mileage.
- Attendees receive \$50 per diem for food / per day.
- Attendees shall attend at least one “Ticketed Event”.
- Attendees must give a written report to the Board of Directors at the first Board meeting after returning in order to receive reimbursement / per diem.

TEXAS REALTOR® EVENTS (that involve paid travel):

Texas REALTOR® Winter Meeting / Texas REALTOR® Conference

Eligible attendees are as follows:

- Maximum of five members of the HLAoR Board of Directors, one of the five must be the TAR Director or an appointee (four will be selected by application process*)
- AE or designated staff member

* Applications will be submitted to the HLAoR Executive Team for selection.

- HLAoR pays hotel, registration, parking and mileage.
- Attendees receive \$50.00 per diem for food / per day.
- Attendees shall attend at least one “Ticketed Event”.
- Attendees must give a written report to the Board of Directors at the first Board meeting after returning in order to receive reimbursement / per diem.

Note: If any of the above are unable to attend members of the HLAoR Leadership Team become eligible (selected by application process*)

SECTION 7: PETTY CASH / REAL ESTATE STORE TILL

There shall be no more than \$200 cash available for making change for Real Estate Store sales, incidentals and the day to day operation of the Association within the designated office of the Association. Such funds shall be accounted for by means of receipts and petty cash requests.

SECTION 8: EXPENDITURES

The Association Executive shall administer the day to day finances of the Board. Capital expenditures in excess of \$500.00 may not be made unless authorized by the

majority of the Board Officers and Directors. Only authorized members of the Executive Committee and staff are allowed to make expenditures for the Board. In order to be reimbursed for those expenditures, store receipts must be submitted for reimbursement within thirty (30) days.

SECTION 9: CHARITABLE DONATIONS / EXPENDITURES

The Association shall have authority to collect, raise and otherwise acquire funds to be used for humanitarian purposes as deemed appropriate by the Board of Directors for memorials, gifts and other such charitable donations for or on the behalf of REALTOR® members. These funds may be raised by means of committee or collected from the public and shall be accounted for in an appropriate manner as approved by the Board of Directors.

SECTION 10: RESERVES & INVESTMENTS

The Association may open and manage Certificates of Deposit or other special accounts to accommodate accruing interest on monies collected by the Association as deemed appropriate by the Board of Directors. At no time, shall funds of the Association be "at risk" beyond the capability of normal economic conditions. All financial institutions used shall be either FDIC or National Credit Union Administration insured. It is recommended that the banking institution shall be an Affiliate member of the Association.

SECTION 11: BANKING

The Board of Directors shall decide in which bank or trust company the funds of the Association shall be deposited and execute the authorization as mentioned under "Check Writing Authorization". It is recommended that the banking institution shall be an Affiliate member of the Association. All financial institutions used shall be either FDIC or National Credit Union Administration insured.

SECTION 12: REFUNDS

No refunds will be made to members for any fees that have already been submitted and processed to HLAoR for payment.

In the event a member pays the annual membership dues prior to January 1 and subsequently terminates membership prior to January 1 and notifies the Association prior to January 1, the membership dues will be refunded.

Article 6: BUSINESS POLICIES & PRACTICES

SECTION 1: OFFICE HOURS

Monday through Friday 8:00 a.m. - 5:00 p.m.

SECTION 2: USE OF BOARD OFFICE & EQUIPMENT

Facilities of the Highland Lakes Association of REALTORS® Board of REALTORS® may be used for the general purposes of day to day activity to

enhance the benefits of the general membership. Members must coordinate with the Association Executive for any special requests and will be subject to approval based on the Association's calendar of events.

For each function not directly a responsibility of the Association Executive, there will be established a Designated Realtor who will be responsible for scheduling the time of usage, cleanup, reimbursement for any supplies used and for the return of the key to the Association staff.

The building shall not be for the use of individuals or groups other than members and affiliate members of the Association or those individuals or groups that benefit the membership.

All special requests not covered by these guidelines shall be referred to the Executive Committee which shall act on the request in a timely and efficient manner under the jurisdiction of the Directors of the Association. Activities must be real estate related functions and cleanup of the facility is the responsibility of the Designated Realtor. Refreshments, utensils, paper products, etc in the kitchen are not to be used for special requests. If staff overtime is required to stay and secure the building and/or monitor audio visual equipment usage there will be an additional charge to cover staff hourly wage.

Smoking in the building is prohibited.

Building usage shall be restricted to the classroom area/kitchen/restrooms only.

SECTION 3: FISCAL POLICY

The fiscal year of the Association shall be January 1 to December 31. The elective year will begin and end with the date of installation.

SECTION 4: MEDIA CORRESPONDENCE

Media correspondence shall be directed to the President or someone of his or her choosing in regards to representations of the Association.

SECTION 5: MEMBERSHIP ROSTER

Membership roster will be available to the public on the HLAoR website and through other avenues. Such membership roster shall include member's first name, last name, company name, company website address, and office phone number. Email, physical and mailing addresses of members will only be available to HLAoR members, be it REALTOR® or Affiliate members. At no point should any email, physical or mailing addresses or membership information be SOLD to third parties.

SECTION 6: SOLICITATIONS

Solicitations may be presented to the Board of Directors or the President and handled as deemed appropriate for the request.

SECTION 7. POLITICAL ENDORSEMENTS

Political endorsements shall be presented to the Board of Directors by the Governmental Affairs Committee and must be approved by the Board of Directors in Executive Session, before release to the public and/or membership. Endorsements by the Texas Association of REALTORS® shall be reviewed by the Governmental Affairs

committee and approved by the Board of Directors, prior to submitting to local membership.

SECTION 8: COMMUNICATION

Written correspondence with HLAoR shall be directed to 4601 E. Innovation Loop, Marble Falls, Texas, 78654. Other forms of communication that may be used; email to staff members directly; office phone number: 830-693-5787 and fax: 830-693-3845. Contact can also be made thru the HLAoR official website at www.highlandlakesrealtors.com. It is recommended that when using various forms of communication, that all members are courteous and follow appropriate etiquette for electronic mailings and faxes.

SECTION 9: DEATH OF A MEMBER

Any death notification of a member or a former member will be announced to the membership only if permission is given by a family member of the deceased.

SECTION 10: NEW MEMBER ORIENTATION

Each applicant must successfully complete the HLAoR New Member Orientation program within 30 days of application or membership will be terminated. Upon failure to complete the mandatory orientation with the appropriate time period, membership will be discontinued and a \$250 fine will be assessed. Once payment of the fine is received by the Board office and the New Member Orientation program has been successfully completed, MLS service may be restored.

SECTION 11: MEMBER GUESTS

There is a limit of one (1) guest per HLAoR member who wishes to attend a membership function at no charge. Each additional guest will be charged to attend.

SECTION 12: ZERO TOLERANCE

Staff is to accept a Zero Tolerance policy with regard to what they believe to be threatening and/or belligerent conduct whether in person, via phone calls, or email from any individuals engaged in Association business. Documentation is to be made of any incident and made available to the Executive Committee for any further action.

SECTION 13: AFFILIATE MEMBERS

Only active HLAOR Affiliate members are allowed to sponsor educational classes and to contribute to general membership meetings.

SECTION 14: PERSONNEL POLICY

Personnel policies are maintained in a document titled HLAoR Associate Handbook.

SECTION 15: SOCIAL MEDIA POLICY FOR LEADERSHIP

Social media includes, but is not limited to websites, blogs, social networking sites and discussion groups. Social media is a powerful and effective communication and engagement tool and the Association encourages Association leaders to utilize social media to help raise awareness of the Association's work and issues of interest to Texas REALTORS® and consumers. These Social Media Guidelines for Association Leaders ("Guidelines") are intended to enable Association leaders to maintain their ability to express themselves personally on social media, while also ensuring that the reputation and work of the Association is protected. In furtherance of these objectives, Association leaders should follow these Guidelines:

1. All Association leaders are encouraged to use social media to promote the Association's mission, policy positions, advocacy efforts, and other association news.
2. It is always acceptable to repost or share any Association published communications and established policy positions.
3. Always be professional, respectful, and ethical when engaging in social media and avoid making statements or posting photographs that could reasonably harm the Association.
4. In the capacity of an Association leader, avoid making statements contrary to NAR's public positions on federal issues, TAR's public positions on state issues, and the Association's public positions on local issues, including but not limited to contrary statements about appointees, elected officials or candidates, and legislative or regulatory matters.
5. When reasonably necessary or useful, include a disclaimer that views expressed by the Association leader are personal to the individual and do not represent the official views of the Association.
6. Do not disclose any confidential information.
7. Do not call for a boycott of a product, service, or company.
8. Avoid any connection to the Association when making personal statements of endorsement or opposition to particular products, services, or companies.
9. Avoid and/or remove statements or content that create undue opposition or controversy.
10. Avoid making statements or posting photographs that are inappropriate including, but not limited to discriminatory remarks, demeaning or defamatory comments, offensive material, and comments that might constitute harassment.

11. Respect third-party intellectual property, and always use NAR's trademarks in accordance with NAR's Membership Marks Manual. REALTOR® means member of the National Association of REALTORS® and must not be used generically as a synonym for the occupation of "real estate agent" or "broker".

Association leaders who do not adhere to these Guidelines or who otherwise act inappropriately when engaging in social media, may be contacted by the Association's Executive Director to resolve the situation, which may include withdrawing, correcting, or revising the communication at issue. Please be aware that social media presence is a significant factor for the Association's Nominating Committee in determining one's fitness for an Association leadership position. Social media presence may also be a factor when applying for local and state government positions.

As used in these Guidelines, "Association leaders" includes elected and appointed officers, directors, committee chairs and vice chairs, and other members appointed to positions of leadership.

ARTICLE 7: AWARDS & RECOGNITION

SECTION 1: AWARDS

The Board of Directors of the Association shall have the authorization to purchase and award members of the Association and / or community with plaques, certificates, gifts and other such appropriate items, including, but not limited to, committee chairpersons, Realtor of the Year, Rookie of the Year, Affiliate of the year, employees and other deserving persons. Nominations for the annual awards will be solicited from the membership one month prior to the awards ceremony. Nominations must be submitted with appropriate documentation provided to the members by the Association. The expenses of these purchases shall be appropriately accounted for and deemed approved by the Board of Directors.

SECTION 2: SCHOLARSHIPS

Ten (10) scholarships will be awarded with five (5) being awarded to immediate family member applicants of HLAoR Realtor members in good standing and five (5) being awarded to students who have graduated from an accredited high school in Burnet or Llano County. All eligible applicants must have, also, completed at least one semester (12 hours) of college, trade or technical school and have a cumulative 2.75 or higher GPA.

ARTICLE 8: BYLAWS AMENDMENTS

SECTION 1: ENFORCEMENT

(1). The Bylaws may be amended by the majority vote of the members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the

Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy. (2). Notice of all meetings at which amendments are to be considered shall be mailed, emailed or faxed to every member eligible to vote at least one (1) week prior to the meeting.

(2). Amendments to these Bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate Members, the use of the terms REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of the Board shall become effective upon their approval as authorized by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

(3). It shall be the duty of the Board of Directors to enforce the provisions of the Bylaws, Policies and Procedures and the National Association of REALTORS® Code of Ethics, all without fear or favor and respecting all members of the Association. All Grievance Committee and Professional Standards issues will be directed to the Texas Association of REALTORS®. The Board of Directors shall have the complete and full power in accordance with the provisions of the Bylaws and Policies and Procedures to expel, suspend, fine or otherwise discipline members of the Association who contravene any of the provisions of the Bylaws or Policies and Procedures, subject to the right of appeal as herein provided.

Amendments to this document may be advised by the Association Executive or Officers/Directors with final approval coming from the Highland Lakes Association of REALTORS® Board of Directors

ARTICLE 9: NAR MANDATED CORE STANDARDS

The Highland Lakes Association of REALTORS® will abide by the following requirements:

Organizational Alignment Recommendations as approved by the NAR Board of Directors May 17, 2014.

1. Enforcement of the Code of Ethics

Every local and state association of REALTORS® shall annually demonstrate compliance with the following core standards. As used in this policy “state association” and “state association of REALTORS®” includes the territorial associations of REALTORS®.

Local associations will be responsible for communicating and describing the programs, products and services of national and state associations such that all members will understand value propositions at all three levels.

I. Code of Ethics

A. Every association will provide new and continuing member Code of Ethics training as required by Article IV of the NAR Bylaws.

B. Every association will maintain a viable professional standards process to enforce the Code of Ethics and provide arbitration and mediation as member services. Associations must have a fully functioning professional standards committee with administrative capability to conduct the program, or must administer professional standards enforcement through a multi-board (or regional) professional standards agreement with other associations or with the state association.

- C. Every association will provide mediation services to members as required by Article IV of the NAR Bylaws. Associations may also offer ombudsman services to members and their clients and customers and, if available in the state, may implement a “citation” enforcement policy.

II. Advocacy

- A. Unless prohibited by state law and in recognition of state law differences, each association shall include in their dues billing a **voluntary** contribution for the PAC or the issues Political Advocacy Fund (PAF) in an amount adequate to meet any NAR established RPAC fundraising goals. Dues billing for PAC or PAF contributions has been proven to be the most effective method for raising PAC or PAF dollars and in engaging our members in political advocacy*. A local association will have met this Mandatory Core Standard, regardless of whether they collect the full amount of their NAR established goal, if they include the voluntary contribution on their dues bill.

Notwithstanding the above, a local association that chooses not to include a PAC or PAF contribution on their dues bills, may, in the alternative, meet this Mandatory Core Standard if they deliver to NAR the **full** amount of any NAR established RPAC goal contributed by whatever legal means determined to be in the best interest of the local association (i.e., a corporate contribution in the full amount of the NAR established goal).

In whatever manner the NAR established RPAC goal is met, funds shall be sent to RPAC or the PAF individually or collectively by/through the State Association (i.e., one check concept). The intent of this standard is to provide the best opportunity for every association to meet its goal.

*Unless prohibited by state law, it is recommended that to reach the highest participation levels possible, each local association include the contribution to either the PAC or the PAF “above the line” with appropriate disclaimers about the voluntary nature of the member contribution.

- B. Each association shall provide or distribute information and communications from NAR and the applicable state association, regarding the value of investing in and the benefits received from the individual’s participation in the PAC.
- C. Each association shall demonstrate participation in Calls for Action delivered through the REALTOR® Action Center (e.g., promotion through websites, newsletters, office visits, etc.). It is the state and local association’s obligation to provide adequate proof of participation. NAR shall monitor state association participation primarily through the REALTOR® Action Center Response Reports. If there are signs of insufficient participation, NAR shall investigate and encourage compliance. The state associations shall monitor local association participation primarily through their REALTOR® Action Center Response Reports. If there are signs of insufficient participation, the state association shall investigate and encourage compliance.
- D. Each local association shall demonstrate participation (if applicable) in State Calls for Action (e.g., promotion through websites, newsletters, office visits, etc.). It is the local association’s obligation to provide adequate proof of participation.

- E. Each association shall demonstrate advocacy engagement. For program ideas go to My REALTOR® Party Resource Guide at www.realtoractioncenter.com/realtor-party/documents/MRP-Resource-Guide.pdf.

III. Consumer Outreach

- A. Every Association will demonstrate engagement in not less than four meaningful consumer engagement activities annually, reflected by:
 1. Being the “Voice for Real Estate” – promoting market statistics and/or real estate trends and issues (e.g., release through press releases, interviews, etc. of MLS statistics, local market statistics, NAR research reports, local/state analysis of NAR statistics, etc.);
 2. Community involvement – promoting the value proposition of using a REALTOR® and/or engaging in community activities which enhance the image of the REALTOR®;
 3. Advocacy efforts – engaging the public in legislative/political issues that impact real estate and related issues; and
 4. Community investment – Organizing human resources (i.e., assisting in a Habitat for Humanity build, etc.) or fundraising for the benefit of charitable/community organizations.

To meet this four-activity per year requirement, each association must execute from some combination of at least 3 of the 4 listed engagement activities during the year. It will not be enough, for example, for an association to engage in the same activity 4 times each year nor will financial support of a charitable organization alone be considered to have met this Mandatory Core Standard. Additionally, any one activity can only be quantified in one category.

Example: Assume Association A releases quarterly market statistics to the media satisfying (1) above. Association A must also engage in some combination of the other listed activities as follows: a community involvement activity (2) and an advocacy effort (3); or a community involvement activity (2) and a community investment activity (4); or an advocacy effort (3) and a community investment activity (4).

IV. Unification Efforts and Support of the REALTOR® Organization

- A. Every association will maintain, have access to or will have legal counsel available.
- B. Associations shall adopt and maintain corporate documents, policies and procedures that conform to local, state and federal laws. Associations will timely file legally required reports and documents (e.g., corporate renewal documents, state and federal tax returns, etc.).
- C. Every association shall have and annually adopt a business or strategic plan including an advocacy component. If, for example, an association develops a three year strategic plan, that plan must be adopted and the adoption reported annually.

- D. Local and state association chief staff must complete at least six hours of REALTOR® association professional development on an annual bases. (i.e., state, regional or national).
 - E. Each state individually or in cooperation with another state association must annually provide at least six hours of professional development opportunities for local association executives.
 - F. Associations will promote to their members the importance of participating in any NAR-conducted effort to assess member understanding of the overall value provided by associations at all three levels of the REALTOR® organization.
 - G. Licensees in limited function referral organizations (LFRO) shall be identified by the local and/or state associations for the purpose of inviting their participation in political advocacy (e.g., PAF and Calls for Action).
 - H. To ensure proper dues reporting and collection, every state association will provide to each local association a comparative list of non-member licensees to the state membership records, at least semi-annually.
- V. Technology
- A. Every association must have an interactive website (defined as the ability to move between websites and create active links), post access to professional standards and arbitration filing processes on the website and create a link to the websites of the other levels of the association for promotion of member programs, products and services.
 - B. Every association must utilize an email and/or internet based means for member communication.
- VI. Financial Solvency
- A. Every association must adopt policies to ensure the fiscal integrity of their financial operations.
 - B. All associations, state or local, with revenue of \$50,000 or more must submit a report from a CPA which includes either an audit opinion or an accountant's review report on an annual basis. For those associations with revenues less than \$50,000 annually, a compilation report prepared by a CPA will be acceptable. These thresholds apply to all associations whether tax exempt or for profit. It will be left to the discretion of each association as to the frequency of an audit versus a review, recognizing that the costs of each type of engagement vary greatly.
 - C. Any association considering bankruptcy must first obtain NAR's consent to file for bankruptcy. To the extent permitted by law, any association that declares bankruptcy will be subject to automatic charter review.

A motion carried that the following Mandatory Core Standards for Associations of REALTOR® compliance policies and procedures be adopted:

Every local and state association of REALTORS® shall annually demonstrate compliance with the following core standards. It is critical that the members have an

understanding of the value they receive as a member of the REALTOR® organization at the local, state and national levels. Therefore, it is essential that every association understand that they will be held accountable for achieving and maintaining the high standard of professionalism that the members deserve from their professional association. As used in this policy “state association” and “state association of REALTORS®” includes the territorial associations of REALTORS®.

Compliance with the Mandatory Core Standards for Associations of REALTORS®

These Mandatory Core Standards for Associations of REALTORS® will apply to every local and state association regardless of the membership they serve, including associations that serve business specialty members (e.g. commercial, appraisal, property management, etc.) in addition to, or exclusive of, residential practitioners. Enforcement of the Mandatory Core Standards for Associations of REALTORS® will be a collaborative effort between local associations, state associations and the national association.

As a condition of continued membership in the National Association of REALTORS® every local and state association of REALTORS® shall, on an ongoing basis, comply with all mandatory policies adopted by the NAR Board of Directors from time to time including, but not limited to policies governing education on and enforcement of the Code of Ethics, membership, dues collection, NRDS reporting, and MLS.

Additionally, every local and state association shall annually certify compliance with the Mandatory Core Standards for Associations of REALTORS® using the certification form or other applicable process provided by NAR (or, where applicable, by the state association). Certification of compliance (including all required supporting documentation) must be signed by the association’s chief staff officer, by the current elected president (or chairman of the board where the chief staff officer holds the title of “president”), and by the president-elect (or individual next in line to be the association’s REALTOR® president or chairman of the board).

The signers of any attestation, certification or representation made on behalf of a local or state association with respect to the association’s compliance with these Mandatory Core Standards for Associations of REALTORS® shall be jointly and individually responsible for the accuracy and truthfulness of the representations made, and any misrepresentation or intentional inaccuracy can result in revocation of the associations’ charter. Failure to maintain compliance with the Mandatory Core Standards for Associations of REALTORS® or any other mandatory NAR policy on an ongoing basis can also result in disciplinary proceedings being initiated under the NAR Association Policy Violation Resolution Procedure.

Every state association shall review the representations made by their constituent local associations and annually confirm to NAR that each local association’s certification is accurate and complete to the best of the state association’s knowledge and belief. State associations and NAR may request additional written documentation or other evidence of compliance from a local or state association if there is a question of compliance.

If a state association does not confirm that a local association is compliant with the Mandatory Core Standards for Associations of REALTORS®, that local association’s charter as a member Board of the National Association of REALTORS® shall be revoked. NAR need not receive a recommendation by a state association prior to revocation of a local association charter. However, under no circumstances will an

association be dropped from membership in the National Association without first having an opportunity to appear before a panel of at least three (3) members of the NAR Association of Executives Committee to show cause why the association's membership should not be terminated. The recommendation of the Association Executives Committee panel will be reported to the NAR Board of Directors for final action.