POLICY MANUAL

Approved
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Northeast Tennessee Association of REALTORS®
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SECTION 1: ORGANIZATION

101. ORGANIZATION AND HISTORY

The Northeast Tennessee Association of REALTORS® (NETAR) is a trade association whose primary members are licensed real estate professionals in Tennessee. NETAR also holds a 75% interest in TN/VA Regional MLS. NETAR Business Partner (Affiliate) members may take advantage of many of the programs and services offered to REALTOR® members.

The term "REALTOR®" is a licensed collective trademark which may be used only by members of the National Association of REALTORS® and its local associations. All REALTORS® subscribe to and uphold a strict Code of Ethics that governs their business behavior in all real estate transactions. Qualification for and objectives of membership are found in the Bylaws, as approved by the National Association of REALTORS®.

102. SERVICES

At all three levels of the REALTOR® organization, a variety of services are provided to members, including:

- Business services and products
- Community Outreach activities
- Dispute Resolution services (Professional Standards)
- Education and professional designations
- Industry specialty education and services (Commercial, International, Property Management, etc.)
- Information Services, including websites, publications and research programs
- Legal assistance and insurance programs
- Legislative and political advocacy
- Multiple Listing Services
- Networking and special events

103. CORPORATE STRUCTURE

NETAR is subject to all provisions of local, state and national law and regulation applying to professional, trade, tax-exempt, non-profit 501c (6) corporations, including:

Federal Government

- Tax-exempt, non-profit 501 c (6) status letter granted by the US Treasury Dept., I.R.S.

Tennessee State Government

- Articles of Incorporation granted by the Tennessee Secretary of State, for the Association of REALTORS®, and its various NFP and Business corporations

Current corporations include:

- Northeast Tennessee Association of REALTORS® TN NFP Corporation 501(c) 6
- TN/VA Regional MLS (75% Shareholder)
- Northeast Tennessee Association of REALTORS® Virginia School of Real Estate

Additional organizational documents of significance to NETAR include the:

- Constitution and Bylaws of the National Association of REALTORS®
- Code of Ethics of the National Association of REALTORS®

- Charter issued by the National Association of REALTORS®
- Membership Qualification Criteria of the National Association of REALTORS®
- Association Core Standards of the National Association of REALTORS®

104. GOVERNANCE

NETAR was chartered by the National Association of REALTORS® in 1995 and is governed by Bylaws adopted on December 15, 1995. The governing body of the Association is an elected Board of Directors, composed of REALTORS®. Programs and activities are managed by committees and task forces, comprised of REALTOR®, and Business Partner (Affiliate) members.

NETAR Bylaws are adopted and are amended by the Board of Directors and ratified by the membership annually, as required. NETAR recognizes, in its Bylaws, the latest edition of Robert's Rules of Order as the authority governing all meetings of NETAR.

105. AUTHORITY & AMENDMENTS

This manual is drafted, adopted, and amended under the authority of the Board of Directors of the Northeast Tennessee Association of REALTORS®. The policies found in this manual are in addition to, not a replacement for the Association's Bylaws. Any recommended changes, deletions, or additions shall be notified to the Board of Directors one week prior to a regularly scheduled Board of Directors meeting. Amendments to the policies and procedures manual will be copied, date of approval noted, and furnished electronically to all members of the board of directors for the purpose of updating their copies of the manual. An electronic copy of the original manual shall available to any member upon request from the Association office.

106. GENERAL DEFINITIONS

The following shall serve as definitions for NETAR concerning the terms used in this policy manual:

1. **Articles and Bylaws** are rules governing the operation of the Association adopted by membership at large (with the advice and/or recommendations of the Board of Directors).
2. **Rules of Order and Standing Rules** are rules governing the operation of the Association adopted by the Board of Directors (with the advice and/or recommendation of staff).
3. **Positions** are descriptive narratives, sometimes including recommendations outlining the concerns and/or views of the Association members on current issues adopted by the Board of Directors in session (with the advice and/or recommendation of the staff).
4. **Programs** are activities relating to the Association adopted by the Board of Directors (with the advice and/or recommendation of staff).
5. **Policies** are general or fundamental principles relating to Association involvement adopted by the members of the Board of Directors (with the advice and/or recommendation of staff).
6. **Procedures** are the detailed explanations, directions or actions to implement adopted articles, bylaws, rules, positions, programs and policies selected and applied by staff with the advice and/or recommendation of the President. They address specific directions telling how, by whom and when things are to be done.

107. MEETINGS

MEMBERSHIP MEETINGS

Membership meetings shall be held in conformance with the Bylaws and will be as determined by the Board of Directors and as budgeted. Membership meeting agendas will be prepared by the President and the CEO.

The Fall Meeting shall be considered the Annual Meeting at which time election of Officers and Directors shall be held. Special meetings of the membership may be held at other times as the President or the Board of Directors may determine or upon written request of at least ten (10) percent of the members eligible to vote.

Any individual requesting an item to be added to a Membership Meeting Agenda should submit it in writing to the Chief Executive Officer, at least two weeks prior to the directors' meeting.

BOARD OF DIRECTORS MEETINGS

The Board of Directors shall meet monthly on the first Thursday of each month, unless change is necessitated due to conflict with TR and NAR meetings or holidays. Time of Directors meetings will be addressed on an annual basis. Board of Directors meetings may be held by telephone or electronically. Two total absences shall be deemed as resignation by the absent director.

COMMITTEE/TASK FORCE MEETINGS

The Chair of a Standing Committee, Task Force or the President shall call meetings of a committee as necessary. The Chair and assigned staff liaison will jointly prepare all agendas. All meetings should be scheduled through NETAR staff and physical meetings are to be held at NETAR or other CEO approved locations. Assigned staff shall attend all meetings of Committees and/or Task Forces and shall be responsible for taking the minutes. In scheduling committee meetings, all Committee or Task Force members should be given electronic notice as well as the President, President-elect, and Chief Executive Officer who all serve as ex-officio, non-voting members of all committees. Committee or Task Force Meetings may meetings be held by telephone or electronically. Two total absences shall be deemed as resignation by the absent Committee or Task Force member.

QUORUM AT ALL MEETINGS

A quorum for the transaction of business at all meetings shall consist of majority present and eligible to vote with the exception of the Board of Directors and the quorum is fifty (50) percent.

OPEN/CLOSED MEETING POLICY

Unless there are reasons for confidentiality, all meetings of the Association are open to members. The following committees are authorized to conduct closed meetings: Board of Directors (in Executive Session), Executive Committee, Budget & Finance Committee, Grievance Committee, Leadership Development Committee, Professional Standards Committee. Guests are not invited to participate in any discussions unless called upon by the Chair.

108. 2020 – 2022 STRATEGIC PLAN (Approved December 2019)

MISSION

The Northeast Tennessee Association of REALTORS® empowers members to achieve success in real estate.

VISION

The Northeast Tennessee Association of REALTORS® is the trusted source for real estate in the communities our members serve.

VALUES

The Northeast Tennessee Association of REALTORS® is:

- Member-focused
- Community-minded
- Collaborative
- Innovative
- Connected

Goal 1. REAL ESTATE ADVOCACY: NETAR advocates for private property rights and ownership in the communities our members serve.

Objective 1.1: **Advocacy and RPAC**: NETAR will annually achieve advocacy core standards and state and national RPAC fundraising goals through the effective use of NAR's REALTOR® Party resources.

Objective 1.2: **Advocacy *Voice for Real Estate ™*:** NETAR is the Advocacy *Voice for Real Estate ™* at the local level of government by: 1) proactively influencing real estate policies, 2) cultivating relationships with elected officials, 3) building coalitions with like-minded organizations and 4) supporting REALTOR® friendly candidates.

Goal 2. BUSINESS SUCCESS: NETAR provides superior customer service during members' careers through efficient and reliable delivery of relevant services.

Objective 2.1: **Professional Development:** NETAR provides education to build sustainable businesses for every stage of members' real estate careers.

Objective 2.2: **Communications, Information and Business Data:** NETAR provides clear and concise information through traditional and emerging platforms so members may obtain user-friendly deliverables for their business needs.

Objective 2.3: **Professional Standards:** NETAR enhances members' professionalism through an awareness and understanding of NAR's Code of Ethics. NETAR will ensure compliance with, and enforcement of NAR's Professional Standards policies and procedures.

Objective 2.4: **Specialty and Leadership Services:** NETAR engages its diverse members in purposeful activities that enhance their businesses and cultivates leadership skills.

Goal 3. COMMUNITY ENGAGEMENT: NETAR is recognized as the *Voice for Real Estate ™* and has a visible and positive impact in the community our members serve.

Objective 3.1: **Digital Presence**: NETAR will advance its digital presence to positively impact members and enhance public awareness and understanding of the importance of real estate to a vibrant community.

Objective 3.2: **Published Real Estate Information:** NETAR will seek and obtain recognition and attribution for published community real estate information.

Objective 3.3: ***Voice for Real Estate ®:*** NETAR promotes the association and the REALTOR® image to the public.

Objective 3.4: **Economic Development:** NETAR enhances and supports member involvement in economic development organizations and activities.

Objective 3.5: **Coalitions:** NETAR will create and enhance partnerships with community, civic, educational and other organizations with shared and/or aligned missions.

Objective 3.6: **Community Service**: NETAR demonstrate members' commitment to the community through involvement in selected community initiatives, events, service projects and contributions.

Goal 4. ORGANIZATION AND GOVERNANCE: NETAR is a dynamic Association with sound finances and operations, dedicated volunteers, professional staff and an efficient and effective governance structure.

Objective 4.1: **Finances**: NETAR is a financially healthy organization which includes adequate reserves, financial transparency, and sound accounting and budgetary policies and processes.

Objective 4.2: **Operations and Systems**: NETAR will develop strategies to enhance and safeguard its facilities, operations, internal information technology and communication systems.

Objective 4.3: **Governance**: NETAR will annually review and update (as needed) governance documents, including the Bylaws, Policy Manual and the Strategic Plan.

Objective 4.4: **Human Resources:** NETAR will provide the resources necessary to ensure it has exceptional professional staff, who are dedicated to serving the members.

Objective 4.5: **Volunteer Leadership**: NETAR will recruit, prepare and involve volunteer leadership, who represent the diverse interests of the members.

Objective 4.6: **REALTOR® Relations**: NETAR will engage in partnership and programs with other real estate associations with aligned interests, and which serve the members' needs.

SECTION 2: BOARD OF DIRECTORS

201. DEFINITION, ROLE AND COMPOSITION OF THE BOARD OF DIRECTORS

The Bylaws of the Northeast Tennessee Association of REALTORS® define the Board of Directors as the governing body of the Association. It is the Association's most important committee. Members of the Board of Directors shall have the utmost interests of the Northeast Tennessee Association of REALTORS® in mind at all times. They shall avoid any contacts that may serve their personal interests and should never assume any position that brings their personal interests into conflict or competition with the interests of the Association.

The Board of Directors serves three critical functions for NETAR:

1. Setting policies and strategic direction
2. Allocating resources effectively and efficiently
3. Evaluating the progress being made to ensure that the policies are adhered to and that the desired outcomes are being achieved.

The Board of Directors further endeavors to:

- Communicate with members, with the constant aims of fiduciary responsibility, effective understanding of members' business requirements, and the enhancement of the benefits derived from membership
- Define, communicate, monitor, and refine NETAR's values, policies and strategies
- Define, as goals, the essential deliverable products and services
- Delegate to the Chief Executive Officer the responsibility and resources to achieve the stated ends, within the limitations of what the Board of Directors defines as unacceptable practices
- Operate within the limits defined by relevant statutes and NETAR's Bylaws
- Demonstrate leadership by embracing the spirit of volunteerism
- Promote the real estate industry and REALTOR® organization

The Board of Directors is composed of the following 13 members:

- 4 Officers: The President (succeeds automatically to office), President-elect, and a Secretary/Treasurer (elected by the Membership and serve 1-year terms)
- 1 Immediate Past President (succeeds automatically to office and serves a 1-year term)
- 9 At-Large Directors (elected by the membership and serve staggered 3-year terms)

  Note: Chief Executive Officer serves as the Secretary and is ex-officio, non-voting, member of the Board of Directors.

202. STANDING RULES OF THE BOARD OF DIRECTORS

1. The election, composition and authority of the Board of Directors shall be as specified in the Bylaws.
2. Meetings of the Board of Directors shall be at designated times and places, as specified and set by the Directors (see Section 107 Meetings). Two total absences shall be deemed as resignation by the absent director.
3. Meetings of the Board of Directors shall be chaired by the President and conducted in accordance with the Bylaws the standing rules of the Board of Directors. The President-elect shall serve as Chair during the absence or incapacity of the President.
4. Agendas are prepared by the Chief Executive Officer with input from the President. Agenda items should be submitted in writing to the Chief Executive Officer, one week prior to the directors' meeting.
5. Only the officers and directors of the Board of Directors may vote on issues at their meetings. Visitors may participate in discussion on issues only when recognized by the President.
6. Only Board members and the Chief Executive Officer may attend Executive sessions, unless the President or a majority of the Board present and voting grants an exception.
7. Minutes shall be required for all meetings of the Board of Directors.
8. Policies may be adopted, revised, deleted or suspended during any Board of Directors. Bylaws changes not mandated by NAR are subject to approval by the membership at the annual business meeting. Adopted policies shall not conflict the Bylaws and shall be included in the Policy Manual.
9. The directors shall be familiar with the NETAR Bylaws, Policy Manual and Strategic Plan.
10. The directors shall have a working knowledge of parliamentary procedures and Robert's Rules of Order (latest edition).
11. The directors shall annually sign all required NETAR disclosures, and which are made a part of this document in the appendix section.
12. In carrying out the duties of a Director, the person holding that office will necessarily receive, review, and possess sensitive and confidential information regarding various financial, legal and other aspects of the Association and its affiliated entities. The Director shall have a duty not to disclose confidential information and shall memorialize these confidentiality obligations by executing a confidentiality agreement before commencing service as the Association's Director.

203. RESPONSIBILITY AND DUTIES OF THE PRESIDENT

Term:

The President shall ascend from the office of President-elect immediately and automatically upon completion of that term and serves for a 1-year term (or until a respective successor is duly elected and qualified).

Description and Responsibilities:

The President shall be the Chief Elected Officer and shall serve as Chairman of the Board of Directors. The President shall have the duty to:

1. Be familiar with the Bylaws, Policy Manual and Strategic Plan of the Northeast Tennessee Association of REALTORS.
2. With the approval of the Board of Directors, establish short-term organizational goals (and as outlined within the long-term Strategic Plan) and work towards achieving approved goals and objectives for his/her year in office. The President shall be responsible for informing membership of such goals and objectives.
3. Recommend to the Board of Directors policies that may be beneficial to the Association. The President shall carry out instruction of the Board of Directors, enforce the Bylaws, Articles of Incorporation, Code of Ethics, Policies & Procedures and Rules and Regulations.
4. Prepare for, attend and actively participate in all meetings of the Board of Directors and the Executive Committee.
5. Act as Chair for the Board of Directors.
6. Preside at all general meetings of the Membership and at all Board of Directors Meetings.
7. Be in regular consultation with the Chief Executive Officer on the business and affairs of the Association.
8. Be the official spokesperson for the Northeast Tennessee Association of REALTOR®. At no time shall the President represent himself/herself as other than the President of the Association when appearing as its representative.
9. Appoint all Standing Committee Chairs, with the advice and counsel of the Chief Executive Officer, and subject to the approval of the Directors at the November Board of Directors meeting.
10. Appoint special committees as needed, subject to confirmation by the Board of Directors.
11. Be an authorized signatory for the Association financial accounts.
12. Attend all national, state and regional meetings, and any other meetings which might occur during the year (except the national convention) at the association's expense.
13. Adhere to the Travel Policies adopted by the Association.
14. Oversee the annual performance evaluation of CEO, as conducted by the Executive Committee.
15. Perform all other duties prescribed by the Bylaws, applicable law, or the Board of Directors.
16. Adhere to all general duties as outlined in the Director description.
17. Chair, Executive Committee
18. Appoints the Nominating Task Force per the Bylaws.
19. Appoints the C/I MLS Committee per the Bylaw.
20. Ex-officio, non-voting member of all committees, except for Grievance and Professional Standards. May not serve on these committees during his/her term of office.
21. Immediate Past President Director upon completion of President's term.
22. Serve as a member of the Board of Directors of the Tennessee REALTORS® (TR) representing the Association as a voting delegate. Attend all TR meetings at the Association's expense.

Qualifications

1. Must be a REALTOR® member in good standing.
2. Strongly encouraged to be an investor in RPAC.
3. Must be actively engaged in the real estate business and hold an active real estate license from the state of Tennessee.

204. RESPONSIBILITY AND DUTIES OF THE PRESIDENT-ELECT

Term:

The President-elect is elected by the membership to serve for a 1-year term (or until a respective successor is duly elected and qualified). Ascend to the Presidency of the Association the following year.

Description and Responsibilities:

The President-elect shall perform the duties of the President in the event of his/her absence or refusal to serve or disability and shall perform such other duties as may be delegated to him / her by the President and/or Board of Directors. In the absence of unforeseen events, he/she shall succeed to the Presidency. The President-elect of the Board of Directors shall have the duty to:

1. Be familiar with the Bylaws, Policy Manual and Strategic Plan of the Northeast Tennessee Association of REALTORS®.
2. Assist the President at all times.
3. Prepare for, attend and actively participate in all meetings of the Board of Directors and the Executive Committee.
4. Attend all General Membership Meetings. Preside at these meetings in President's absence.
5. Appoint all Standing Committee Vice Chairs, with advice and counsel of the Chief Executive Officer, and subject to the approval of the Directors at the November Board of Directors meeting.
6. Act as a liaison with Committees, as assigned by the President.
7. Represent the Association as spokesperson when asked to do so by the President. At no time shall the President-elect represent himself/herself as other than the representative of the Association when appearing in that capacity.
8. Be an authorized signatory for the Association financial accounts.
9. Adhere to the Travel Policies adopted by the Association.
10. Assist the Chief Executive Officer, Treasurer and Budget & Finance Committee in preparing the Budget for the up-coming year.
11. Participate in the performance evaluation of CEO, as conducted by the Executive Committee.
12. Serve as a member of the Board of Directors of the Northeast Tennessee Association of REALTORS and in the absence, or inability to act, of the Association President, act as the presiding officer at any meetings and perform such other duties of the President as may be required or directed by the President or the Board of Directors.
13. In the event of death, disability, resignation, or removal from office of the President, fill the unexpired term of the President, subject to the approval of the Board of Directors. In this event, he/she shall not be prohibited from being elected to an otherwise normal term as President.
14. President-elect shall attend all state and regional meetings, and any other meetings which might occur during the year, and national conventions, at the Association's expense.
15. Attend the National Association of REALTORS® Annual Convention and represent the Tennessee REALTORS® as a Director. Be a voting delegate at the NAR Delegate Body Meeting in November
16. Perform all other duties prescribed by the Bylaws, applicable law, or the Board of Directors.
17. Adhere to all general duties as outlined in the Director description.
18. Member, Executive Committee

19. Member, Budget & Finance Committee
20. Chair, Bylaws Task Force
21. Chair, Strategic Planning Task Force
22. Select person(s) to lead prayer/devotion and pledge for Director's Meeting and Membership Meeting.
23. Ex-officio, non-voting member of all committees, except for Grievance and Professional Standards. May not serve on these committees during his/her term of office.
24. Serve as a member of the Board of Directors of the Tennessee REALTORS® representing the Association as a voting delegate. Attend all TR meetings at the Association's expense.

Qualifications

1. Must be a REALTOR® member in good standing.
2. Strongly encouraged to be an investor in RPAC.
3. Must be actively engaged in the real estate business and hold an active real estate license from the state of Tennessee.

205. RESPONSIBILITY AND DUTIES OF THE SECRETARY/TREASURER

Term:

The Secretary/Treasurer is elected by the Membership to serve for a 1-year term (or until a respective successor is duly elected and qualified).

Secretary Duties and Responsibilities:

The Secretary shall keep such records as are necessary for proper operation of the Association and shall be custodian of the Association records. The Secretary of the Board of Directors shall have the duty to:

1. Attend all Board of Directors and General Membership Meetings of the Association. Ensure that minutes are taken by staff at the General Membership and Board of Director Meetings. The originals shall remain in the Association office.
2. Oversee the maintenance of all of the corporate, tax and legal records at the Association Office.

Treasurer Duties and Responsibilities:

The Treasurer shall oversee the finances of the Association and shall serve as Chairman of the Budget and Finance Committee. The Treasurer of the Board of Directors shall have the duty to:

1. Be familiar with the Bylaws, Policy Manual and Strategic Plan of the Northeast Tennessee Association of REALTORS.
2. Be familiar with Section 4. Financial Policies of this Policy Manual and adhere to any Treasurer duties outlined within those policies.
3. Serve as member of the Board of Directors of the Association.
4. Prepare for, attend and actively participate in all meetings of the Board of Directors and the Executive Committee.
5. In conjunction with the and the Chief Executive Officer, review on a timely basis the Association's expenditures and finances to ensure overall fiscal integrity.
6. Review regular monthly financial reports for presentation to the Board of Directors. The Chief Executive Officer shall be responsible for the preparation of these reports.
7. With the Budget & Finance Committee, assist the Chief Executive Officer in investing funds in approved financial institutions.
8. Be an authorized signatory for the Association's financial accounts.

9. As the Chair of the Budget & Finance Committee, and with the Chief Executive Officer and President-elect, prepare a budget for the upcoming year.
10. In conjunction with the Chief Executive Officer, serve as a liaison with any accounting firm to audit the association's financial records.
11. Perform all other duties prescribed by the Bylaws, applicable law, or the Board of Directors.
12. Adhere to all general duties as outlined in the Director description.
13. Chair, Budget & Finance Committee
14. Member, Executive Committee

Qualifications

1. Must be a REALTOR® member in good standing.
2. Strongly recommended to serve on the Budget & Finance Committee at least one year prior to becoming the Treasurer.
3. Strongly encouraged to be an investor in RPAC.
4. Must be actively engaged in the real estate business and hold an active real estate license from the state of Tennessee.

206. RESPONSIBILITY AND DUTIES OF THE IMMEDIATE PAST PRESIDENT DIRECTOR

Term:

The Immediate Past President serves an automatic 1-year term immediately following his/her term as President. The Immediate Past President does not serve as an officer of NETAR.

Description and Responsibilities:

The President shall, immediately and automatically upon expiration of the President's term, be referred to as the Immediate Past President and shall automatically be a director for the immediately succeeding year. The Immediate Past President of the Board of Directors shall have the duty to:

1. Prepare for, attend and actively participate in all meetings of the Board of Directors and the Executive Committee.
2. Perform all other duties prescribed by the Bylaws, applicable law, or the Board of Directors.
3. Adhere to general duties outlined in the Director description.
4. Member, Executive Committee
5. Chair, Leadership Development Committee
6. Chair, Nominating Task Force

Qualifications

1. Must be a REALTOR® member in good standing.
2. Strongly encouraged to be an investor in RPAC.
3. Must be actively engaged in the real estate business and hold an active real estate license from the state of Tennessee.

207. RESPONSIBILITY AND DUTIES OF THE ELECTED DIRECTORS

Term:

Nine (9) At-Large Directors are elected by the membership for staggered three-year terms upon recommendation by the Nominating Task Force. NOTE: MLS Directors shall not serve on NETAR Board.

Description and Responsibilities:

The Directors shall represent the interests of NETAR's members to the Board of Directors and vice-versa, and shall have the duty to:

1. Be the governing body of the Northeast Tennessee Association of REALTORS and implement and approve any policies of the Association.
2. Be familiar with the Bylaws, Policy Manual and Strategic Plan of the Northeast Tennessee Association of REALTORS.
3. Prepare for, attend and actively participate in all meetings of the Board of Directors.
4. Attend all General Membership Meetings and support all other Association functions.
5. Approve the appointment of Standing Committees, Committee Chairs and Vice-Chairs, as submitted by the incoming President and President-elect at the November meeting.
6. Approve the appointment of all Standing Committee members, as submitted by the Standing Committee Chairs at the January meeting.
7. Act upon all committee and task force requests.
8. Approve the annual budget no later than the September meeting.
9. Review and file for annual audit the monthly financial statements of the Association.
10. Recommend changes to the Bylaws to the membership for approval as provided in the Bylaws of the Association.
11. Prior to voting to amend any policy pertaining to the Association's corporate structure and/or federal tax-exempt status, ascertain that the Association's legal counsel and/or Association accountant, and have reviewed and/or approved such amendment.
12. Serve on committees or act as liaison to committees if asked to do so by the President.
13. Approve financial institutions for deposits of Association funds.
14. Represent the Association at various Association and industry events.
15. Be familiar with, endorse, and be a positive representative for the Association's programs, products, and services
16. Act as a liaison to both the NETAR membership and the greater community.
17. Assess own performance as a Board member regularly.
18. Review all communications received from NETAR pertaining to the Association.
19. Assist in RPAC fundraising efforts.
20. Assist in the identification of new volunteers.
21. Approve employment or termination of the Chief Executive Officer and comply with the Employee Handbook as approved by the Board of Directors.
22. Perform all other duties prescribed by the Bylaws, applicable law, or the Board of Directors
23. One Director will be selected by the President to serve on the Executive Committee, subject to confirmation by the Board of Directors.
24. Highly encouraged to serve on at least one committee or task force.

Qualifications

1. All elected Directors must be a REALTOR® member in good standing.
2. Slated by the Nominating Task Force and elected by the NETAR membership.
3. Strongly encouraged to be an investor in RPAC.

4. Must be actively engaged in the real estate business and hold an active real estate license from the state of Tennessee.

208. RESPONSIBILITY AND DUTIES OF THE CHIEF EXECUTIVE OFFICER

Appointment:

The Chief Executive Officer shall be employed and appointed by the Board of Directors for such term and pursuant to such terms and conditions as the Board of Directors and the Chief Executive Officer shall mutually agree. The Chief Executive Officer shall be appointed solely on the basis of demonstrated management, executive and administrative qualifications and skill. The Chief Executive Officer shall take direction from and be under the supervision of the Board of Directors and the Executive Committee. In the event of a conflict between the supervision and direction of the Board of Directors and the supervision and direction of the Executive Committee, the supervision and direction of the Board of Directors shall control to the extent of any such conflict.

Description and Responsibilities:

The Chief Executive Officer shall be the chief administrative officer of NETAR and shall be responsible for the efficient management, execution, and administration of all of the business and affairs of NETAR as authorized and directed by the Board of Directors. Without limiting the generality of the preceding sentence, the Chief Executive Officer shall specifically have the power and duty to:

1. Recommend and implement policies, plans, and procedures for the administration, organization, and operation of NETAR;
2. Hire personnel to fill positions or vacancies on NETAR's administrative staff and discharge or retire members of such staff in accordance with applicable law and NETAR procedures;
3. Supervise all administrative staff and consultants of NETAR;
4. Purchase materials and services according to applicable law and NETAR procedures;
5. Oversee the facilities of the Association and safeguard its assets;
6. Execute all contracts and other documents duly authorized to be signed on behalf of NETAR by the Chief Executive Officer;
7. With input from the President prepare agendas for Board of Directors and Executive Committee meetings and, whenever possible, attend meetings of NETAR committees and task forces;
8. Assign such duties as may be properly delegated to other administrative staff or consultants of NETAR;
9. Supervise, manage, and maintain the offices of NETAR;
10. Ex-officio, non-voting member of the Board of Directors and Executive Committee.
11. Ex-officio, non-voting member of all other committees, except for Grievance and Professional Standards.
12. Attend TR and NAR business meetings as an active participant in those organizations.

Other Employees:

Any and all other supervisory, administrative, and operating employees of NETAR, other than the Chief Executive Officer, shall be under the supervision and direction of the Chief Executive Officer.

Annual Review:

The annual performance evaluation of this position shall be the responsibility of the Executive Committee and will be performed no later than August. A final report will be given to the Board of Directors at their regularly scheduled meeting following the annual evaluation.

Absence, Incapacity, or Inability to Act:
In the event the Chief Executive Officer determines that he or she is or will be temporarily absent or unable to act or perform the duties of Chief Executive Officer, the Chief Executive Officer may designate one or more other NETAR employees to act on the Chief Executive Officer's behalf during such temporary absence or inability to act. A detailed CEO Absence/Succession Plan is outlined in this Policy Manual in Section 5. General Policies.

SECTION 3: COMMITTEE / TASK FORCE POLICIES

301. RULES OF STANDING COMMITTEES AND TASK FORCES

As per Article XIII of the Association's Bylaws, the Board of Directors has determined that the committee structure will be, in most situations, the most efficient and productive way for the Board of Directors to carry out its duties and responsibilities.

Standing Committees

Chairs, vice-chairs and members of Standing Committees shall be Association members in good standing. A Standing Committee shall serve to be defined as a group that addresses strategies and programs through its own direct action or by the creation and authorization of task forces to get the work accomplished. The Standing Committees are listed in the Association's Bylaws and can be established or abolished by the Board of Directors, subject to approval, amendment or repeal at the next annual membership meeting and defined in the NETAR Policies. Standing Committees receive their charges from the NETAR President, with the approval of the Board of Directors and will carry out duties as specified in the NETAR Policies. They shall report to the Board of Directors, unless otherwise specified.

Task Forces

Task Forces may be authorized by the President, the Board of Directors, the CEO, or a Standing Committee. Chairs and any Vice-Chairs of Task Forces shall be Association members in good-standing. A task force shall serve to be defined as a group of members or non-members that is called together for a limited period of time to address a specific issue, trend, strategy or problem of immediate consequence to the members, the Association, or the local industry.

Task Forces shall report to the body that authorized them to be formed. All task forces shall be assigned a staff liaison(s), who with input from the Chair, shall prepare the agendas and minutes, and shall staff all meetings/activities of the task force. Task Forces may also be authorized by and report directly to the Chief Executive Officer and his/her assigned staff. They are "advisory" in nature and may be created to assist the CEO with key aspects of implementation of initiatives under the Business Plans.

Meetings of Standing Committees and Task Forces

The Chair of a Standing Committee, Task Force or the President shall call meetings of a committee as necessary. The Chair and assigned staff liaison will jointly prepare all agendas. All meetings should be scheduled through NETAR staff and physical meetings are to be held at NETAR or other CEO approved locations. Assigned staff shall attend all meetings of Committees and/or Task Forces and shall be responsible for taking the minutes. In scheduling committee meetings all Committee or Task Force members should be given electronic notice as well as the President, President-elect, and Chief Executive Officer who all serve as ex-officio, non-voting members of all committees. Committee or Task Force Meetings may meetings be held electronically.

Committee Absences

Absence from two regular meetings shall be construed as resignation of the absent member for all Standing Committees and Task Forces.

Committee Events and Outside Vendor Contracts

Prior to obligating NETAR to an outside vendor contract agreement, the Chief Executive Officer must be made aware of pending and/or potential arrangements so that proper information can be exchanged between the parties. NETAR should be named as the contracting party and NETAR contact information should be on all contracts. NETAR should be provided with all outside vendor contracts.

302. RESPONSIBILITY AND DUTIES OF A COMMITTEE OR TASK FORCE CHAIRPERSON

Term:

A Committee Chair is appointed by the President, with the approval of the Board of Directors, to serve for a one-year term (or until a respective successor is duly elected and qualified). The advice of the CEO or assigned staff liaison should be solicited early in the appointment process for the Chair. Task Force chairs are appointed by the President, the CEO, or the committee chair who appointed the task force and shall serve until the assigned task is completed.

Description and Responsibilities:

The Chair, along with assigned staff, is responsible for the effective oversight of the Committee or Task Force's work, consistent with Board approval and policies, and shall have the duty to:

1. Consult with the Vice-Chair and assigned staff in planning the Committee's or Task Force's annual objectives and programs.
2. Be familiar with the Association's Strategic and Business Plans and assist in the implementation of the objectives and strategies for their area of responsibility. Disseminate this information to the Committee or Task Force members.
3. Call for and plan necessary meetings with assigned staff.
4. Work in close partnership with the Vice-Chair and assigned staff throughout the year.
5. Assist with the recruitment and orientation of Committee or Task Force members. Motivate the members toward the attainment of the Committee's or Task Force's objectives and strategies.
6. Preside at all meetings; keep the discussion on topic; encourage member participation
7. Remain informed regarding the progress of Committee or Task Force members' work assignments.
8. Ensure that accurate minutes are kept, motions recorded, necessary reports prepared, and a record of Committee work is maintained.
9. Report the Committee progress to the Board of Directors though regular written reports.
10. Attend leadership training and a planning session, to be held prior to serving as Chair.
11. Attendance at committee-related functions.
12. Make every attempt to attend all major functions of the Association.
13. Have a working knowledge of *Robert's Rules of Order*.
14. Be prepared to accept all other duties as requested by the President and maintain continuous liaison with the Chief Executive Officer and other assigned staff to ensure proper coordination in the conduct of the Association's business.

15. Annually sign all required NETAR disclosures, and which are made a part of this document in the appendix section.

Qualifications

1. REALTOR® or Business Partner (Affiliate) member in good standing
2. See individual Committee and Task Force purposes for other qualifications.
3. Strongly encouraged to be an investor in RPAC.

303. RESPONSIBILITY AND DUTIES OF A COMMITTEE OR TASK FORCE VICE CHAIRPERSON

Term:

A Committee Vice Chair is appointed by the President-elect, with the approval of the Board of Directors, to serve for a 1 Year term (or until a respective successor is duly elected and qualified)**.** The advice of the assigned staff liaison should be solicited early in the appointment process for the Vice-Chair. A Task Force Vice Chair is appointed by the President-elect, the CEO, or the committee chair who appointed the Task Force and shall serve until the assigned task is completed.

The Vice-Chair shall ascend to the position of Chair immediately and automatically upon completion of the term as Vice-Chair, unless it is determined by the appointing President-elect that there is an inability to act on the part of the Vice Chair.

Description and Responsibilities:

The Vice Chair is responsible for assisting the Chair in the effective oversight of the Committee or Task Force's work, consistent with Board approval and policies, and shall have the duty to:

1. Be familiar with the Association's Strategic and Business Plans and assist in the implementation of the objectives and strategies for their area of responsibility.
2. Work in close partnership with the Chair and assigned staff throughout the year.
3. Assist with the recruitment and orientation of Committee or Task Force members. Motivate the members toward the attainment of the Committee's or Task Force's objectives and strategies.
4. Prepare for, attend, and actively participate in all meetings of the committee
5. Serve in the absence or inability of the Chair
6. Perform all other duties prescribed by the Bylaws, applicable law, or the Board of Directors
7. Attend leadership training and a planning session, to be held prior to serving as Chair.
8. Attendance at committee-related functions.
9. Attendance at committee-related functions
10. Make every attempt to attend all major functions of the Association.
11. Have a working knowledge of *Robert's Rules of Order*.
12. Annually sign all required NETAR disclosures, and which are made a part of this document in the appendix section.

Qualifications

1. REALTOR or Business Partner (Affiliate) member in good standing.
2. See individual Committee and Task Force purposes for other qualifications.
3. Strongly encouraged to be an investor in RPAC.

304. RESPONSIBILITY AND DUTIES OF A COMMITTEE OR WORK GROUP MEMBER

Term:

Unless otherwise specified in the committee purpose, all terms are for one year.

Description and Responsibility

To participate in the implementation of Association activities on an approved Standing Committee or Task Force.

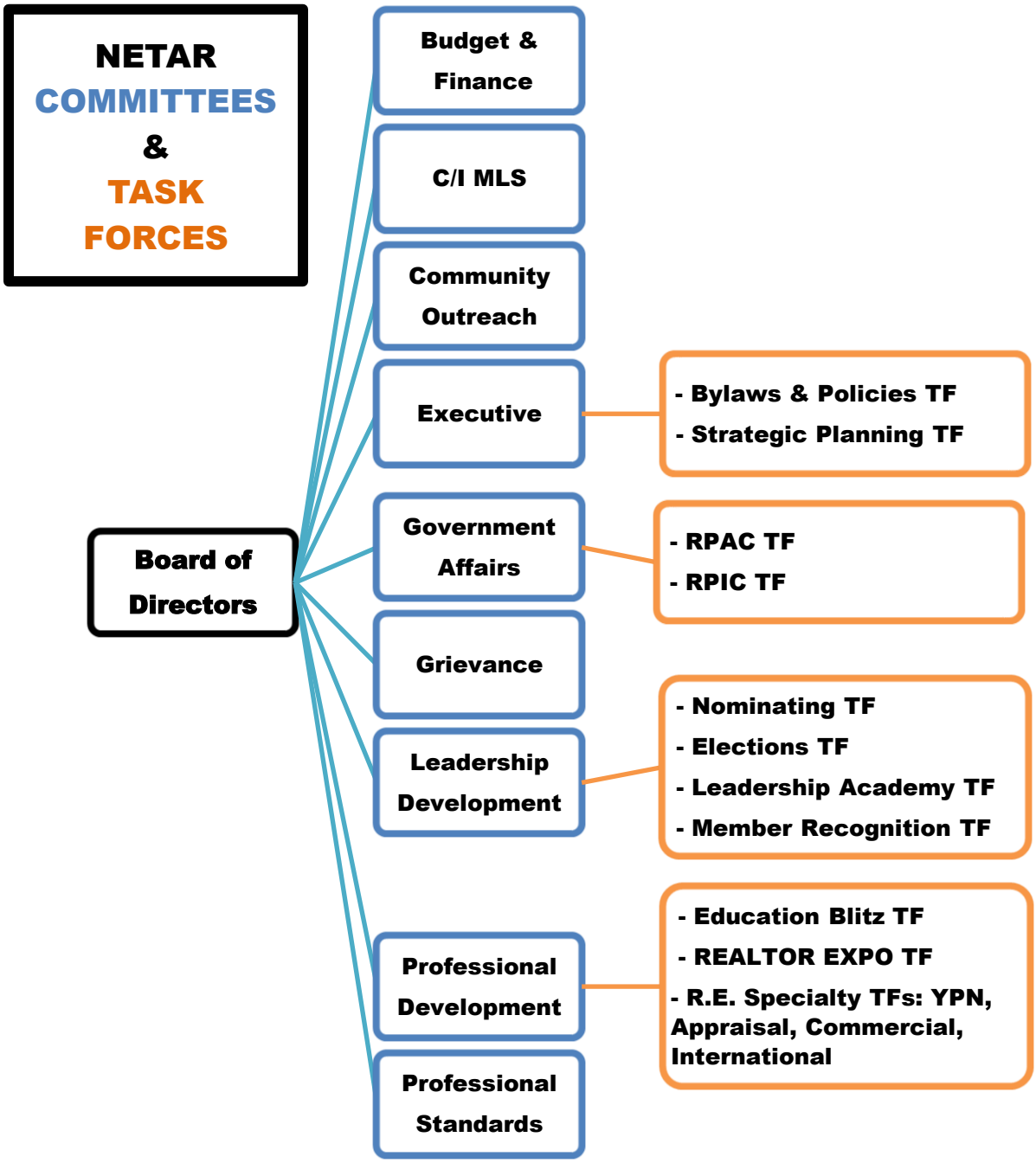
1. Be familiar with the Association's Strategic and Business Plans and assist in the implementation of the objectives and strategies for their area of responsibility.
2. Review any and all pertinent background material and the agenda before coming to meetings.
3. Accept and follow through on assignments as requested by the Chair and/or Vice-Chair.
4. Actively participate in Committee or Task Force activities and use his/her personal talents to ensure productive efforts.

Qualifications

1. REALTOR® or Business Partner (Affiliate) Member in good standing. Non-members who are subject matter experts may be asked to serve on selected Task Forces, as approved by the appointing body.
2. See individual Committee and Task Force purposes for other qualifications.
3. Strongly encouraged to be an investor in RPAC.

305. STANDING COMMITTEES

The Standing Committees and Task Forces of the Board of Directors are:



306. BUDGET & FINANCE COMMITTEE

Name:	Budget & Finance Committee
Group Type:	Standing Committee
Open or Closed Meeting	Closed meeting
Purpose	The purpose of the Finance Committee is to provide oversight of the financial management and reporting function of the Association.
Strategic Plan Assignment	Goal 4 Objective 4.1
Duties and Responsibilities	1. Be familiar with the NETAR Strategic Plan and specifically, those objectives assigned above. 2. Develop the annual operations and capital budgets with the CEO and officers and assigned staff for presentation to the Board of Directors by the September meeting. 3. Review and make recommendations to the Board of Directors on changes to the dues structure and/or sources of non-dues income. 4. Monitor finances and have the Treasurer report at each Board of Director meeting. 5. Periodically review and develop financial and investment policies for NETAR. 6. Recommend the employment of a CPA to conduct to conduct the annual audit. Review the audit prior to presentation to the Board of Directors by July. 7. Periodically review insurance policies and works with staff to secure bids on renewals. 8. Periodically recommends the employment of an investment advisor for the association. 9. Other financial-related duties as assigned by the President and CEO.
Size and Composition	The committee shall be composed of 9 members: The Treasurer, President-elect, plus 7 members at-large members selected by the Chair.
Term(s)	Staggered, 3-year terms. Each member is eligible to serve one additional consecutive 3 year-term (total of 6 years).
Method of Appointment for Chair and Vice-Chair	Treasurer serves as the Chair. There is no Vice-Chair.
Method of Appointment for committee members	Treasurer appoints with Board of Director approval at the January meeting.
Reports to	Board of Directors
Qualifications to serve	1. REALTOR® or Business Partner (Affiliate) member in good standing. Efforts to identify those with financial backgrounds or expertise should be strongly considered. 2. Required to sign a conflict of interest, confidentiality and other NETAR disclosure statements. 3. Must attend annual finance training provided by NETAR.
Absences	Per NETAR Absence Policy
Staff Liaison	CEO or Designee

307. COMMERCIAL AND INTERNATIONAL MLS (C/I MLS)

Name:	C/I MLS committee
Group Type:	Standing Committee
Open or Closed Meeting	Open Meeting
Purpose	**REFER TO BYLAWS Article XIX. Multiple Listing C/I** A C/I MLS is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law); by which cooperation among Participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of the sale (or lease).
Strategic Plan Assignment	Goal 2, Objective 2.4
Duties and Responsibilities	The Service shall be operated under the supervision of the C/I MLS Committee in accordance with the rules and regulations, subject to the approval of the Board of Directors of the Association of REALTORS®.
Size and Composition	The President shall appoint, subject to confirmation by the Board of Directors, a C/I MLS Committee of five (5) REALTORS® members. All members of the Committee shall be Participants in the C/I MLS except, at the option of the Board, REALTORS® licensed with Participants may be appointed to serve as Committee members.
Term(s)	2-year staggered terms
Method of Appointment for Chair and Vice-Chair	The Chairperson shall be selected by the President of the Association subject to confirmation by the Board of Directors.
Method of Appointment for committee members	See above composition
Reports to	Board of Directors
Qualifications to serve	See above composition
Absences	Any Committee member who fails to attend two (2) consecutive regular or special meetings of the Committee, without an excuse acceptable to the Chairperson of the Committee, shall be deemed to have resigned from the Committee
Staff Liaison	CEO or assigned staff

308. COMMUNITY OUTREACH COMMITTEE

Name:	Community Outreach Committee
Group Type:	Standing Committee
Open or Closed Meeting	Open meeting
Purpose	The purpose of the Community Outreach Committee is to plan and execute all community service projects and solicit contributions for activities.
Strategic Plan Assignment	Goal 3, Objective 3.6
Duties and Responsibilities	1. Be familiar with the NETAR Strategic Plan and specifically, those objectives assigned above. 2. Be familiar with, and stay within, approved budget line items. 3. Recommend to the Board of Directors all planned community service projects for the year. 4. With staff, plan and execute all Board approved projects and contributions. 5. Seek out sponsorships for community service activities. 6. Actively promote community service activities to the membership, in order to increase participation. 7. Other community service projects as assigned by the President and CEO.
Size and Composition	The committee shall be composed of 5 - 9 members at-large members selected by the Chair. 2 – 3 positions will be held for Business Partner (Affiliate) members.
Term(s)	1-year term
Method of Appointment for Chair and Vice-Chair	Incoming President appoints the Chair and the incoming President-elect appoints the Vice-Chair with Board of Director approval at the November meeting.
Method of Appointment for committee members	Chair appoints, with input from the Vice-Chair and assigned staff, with Board of Director approval at the January meeting.
Reports to	Board of Directors
Qualifications to serve	1. REALTOR® or Business Partner (Affiliate) member in good standing. Efforts to identify those with current or previous involvement in community service or clubs should be strongly considered. 2. Required to sign a conflict of interest, confidentiality and other NETAR disclosure statements.
Absences	Per NETAR Absence Policy
Staff Liaison	CEO or Designee

309. EXECUTIVE COMMITTEE

Name:	Executive Committee
Group Type:	Standing Committee. Oversees these Task Forces: Bylaws & Policies, Strategic Planning (see Section 310)
Open or Closed Meeting	Closed meeting
Purpose	The purpose of the Executive Committee is to: 1) review and make policy recommendations to the Board of Directors, 2) oversee the strategic plan process, 3) oversee the CEO annual review and compensation recommendations, 4) appoint the C/I MLS Committee, 5) offer educational scholarships to deserving students and members, and 6) focus on critical issues of importance which will have an impact on NETAR.
Strategic Plan Assignment	Goal 3 Objectives 3.1, 3.2, 3.3 Goal 4 Objectives 4.2, 4.3, 4.4, 4.5 and 4.6
Duties and Responsibilities	1. Regularly review and recommend to the Board of Directors any governance and other key policies for the association. 2. Be familiar with the NETAR Strategic Plan and specifically, those objectives assigned above. 1. Oversees the Bylaws & Policies Task Force and Strategic Planning Task Force. 3. Annually conduct the CEO review and make compensation recommendations by August 1st of each year to the Board of Directors. Forward approved compensation to the Budget & Finance Committee for budgeting purposes. 4. Recommend any strong future leader candidates to the Leadership Development Committee for leadership training and/or nominations. 5. Oversees the Mark Keesecker Scholarship selections. 6. Other activities as assigned by the Board of Directors.
Size and Composition	The committee shall be composed of 5 members: President, President-elect, Treasurer, Immediate Past President and one at-large Board of Director member.
Term(s)	1-year term
Method of Appointment for Chair and Vice-Chair	1. President serves as the Chair and President-elect serves at the Vice-Chair. 2. President-elect serves as the Chair of the Bylaws & Policies Task Force and the Strategic Planning Task Force.
Method of Appointment for committee members	By position. At-large Director appointed by the incoming President, with Board of Director approval at the November meeting.
Reports to	Board of Directors
Qualifications to serve	1. By position. See Composition above. 2. Required to sign a conflict of interest, confidentiality and other NETAR disclosure statements.
Absences	Per NETAR Absence Policy
Staff Liaison	CEO or Designee

310. TASK FORCES OF THE EXECUTIVE COMMITTEE

Name:	**Bylaws & Policies Task Force – convened as necessary**
Purpose	The purpose of the Bylaws & Policies Task Force is to periodically review the Bylaws, Policy Manual, Employee Manual and other key governing documents for clarity, enforceability, and practicability; and ensure that they are in compliance with State and National Bylaws and the Code of Ethics (Bylaws). Any recommended changes are to be sent to the Executive Committee for review, prior to forwarding to the Board of Directors for consideration.
Size, Composition & Appointment	The Task Force shall be composed of the Chair and 3 Board members, selected by the President. The President-elect is Chair of the Bylaws & Policies Task Force.
Term(s)	1-year term
Reports to	Executive Committee
Staff Liaison	CEO or Designee

Name:	**Strategic Planning Task Force – convened as necessary**
Purpose	The purpose of the Strategic Planning Task Force is to coordinate the Strategic Plan process, as required under NAR's Core Competencies. NETAR's current planning cycle is every 3 years. The task force is to review the TR Strategic Plan for any key initiatives which should be factored into the NETAR plan. Changes to the committee/task force structure may be recommended by the task force in order to carry out new plan objectives. Objectives may be updated annually, as necessary.
Size, Composition & Appointment	The Task Force shall be composed of 5-7 members selected by the President. The President-elect is Chair of the Bylaws & Policies Task Force.
Term(s)	1-year term
Reports to	Executive Committee
Staff Liaison	CEO or Designee

311. GOVERNMENT AFFAIRS COMMITTEE

Name:	Government Affairs Committee
Group Type:	Standing Committee. Oversees the RPAC and RPIC Task Forces (see Section 312)
Open or Closed Meeting	Open meeting
Purpose	The purpose of the Government Affairs Committee is to oversee key political affairs, legislative and regulatory matters impacting NETAR, as well as RPAC campaigns.
Strategic Plan Assignment	Goal 1, Objectives 1.1 and 1.2 Goal 3, Objectives 3.4 and 3.5
Duties and Responsibilities	1. Be familiar with the NETAR Strategic Plan and specifically, those objectives assigned above. 2. Be familiar with, and stay within, approved budget line items. 3. Oversees RPAC, political affairs and involvement, legislative and regulatory efforts for the Association. 4. Educate the members on the value of RPAC and conduct the annual RPAC Fundraising campaign. 5. Oversee all REALTOR® Political Involvement activities for the Association. 6. Work with staff on identifying and obtaining any TR and/or NAR Smart Growth or other political or economic/community grants. 7. Other government affairs business as assigned by the President and CEO.
Size and Composition	The committee shall be composed of 5 – 11 at-large members selected by the Chair, including the RPAC Task Force Chair and the RPI Task Force Chair. It is recommended that at least 1 position be held for a commercial REALTOR® and 1 position be held for Business Partner (Affiliate) member.
Term(s)	1-year term
Method of Appointment for Chair and Vice-Chair	Incoming President appoints the Chair and the incoming President-elect appoints the Vice-Chair with Board of Director approval at the November meeting.
Method of Appointment for committee members	Chair appoints, with input from the President, Vice-Chair and assigned staff, with Board of Director approval at the January meeting. Chair appoints the RPAC and RPI Task Force Chair(s).
Reports to	Board of Directors
Qualifications to serve	1. REALTOR® or Business Partner (Affiliate) member in good standing. Efforts to identify those with current or previous involvement in government affairs, relationships with elected officials, coalition-building expertise, etc., should be strongly considered. 2. Chair and Vice-Chair are strongly encouraged to be RPAC Major Investors. All committee members are strongly encouraged to be RPAC Investors. 3. Required to sign a conflict of interest, confidentiality and other NETAR disclosure statements. 4. The Government Affair Chair is expected to travel to 1) the NAR Legislative meeting in May 2) the TR Day at the Hill and 3) TR Government Affairs Leadership training in November or December. Expense reimbursement to be determined in the annual NETAR budget.
Absences	Per NETAR Absence Policy
Staff Liaison	CEO or Designee

312. TASK FORCES OF THE GOVERNMENT AFFAIRS COMMITTEE

Name:	**RPAC Task Force – convened annually**
Purpose	The purpose of the RPAC Task Force is to: 1. To educate membership to the value of RPAC to the REALTOR® Profession 2. Inform members of goal and solicit investments as set by TR and NAR 3. Appoint a coordinator in each geographic area to head the RPAC campaign in their area 4. Coordinate any other efforts necessary to meet NAR and TR RPAC goals.
Size, Composition & Appointment	The Task Force shall be composed of 7 members selected by the Chair. Incoming President appoints the Chair
Term(s)	1-year term
Reports to	Government Affairs Committee
Staff Liaison	CEO or Designee

Name:	**REALTORS® Political Involvement Council (RPIC) Task Force – convened annually**
Purpose	The purpose of the REALTORS® Political Involvement Council Task Force is to: 1) establish linkages and ongoing relationships with all aspects of the political and governmental processes in our Local, State and Federal governments, 2) educate the members on the importance of political awareness and involvement and 3) recommend for election those candidates who support the free enterprise system, private property rights, and other positions or policies which are important to the real estate industry.
Duties	1. Establish liaison teams to monitor county commission, city council, planning commission, and other government meetings where issues affecting the real estate industry are determined. Inform REALTORS® of any pertinent issues. Identify NETAR members running for office. 2. Co-ordinate efforts to screen and support candidates for election and inform membership of their stand on issues relating to REALTOR® interests. 3. Attend NETAR REALTORS® Legislative Day held each spring in Nashville at the TR Meeting. Coordinate with NETAR staff arrangements for legislative event. Brief all Northeast Tennessee REALTORS® attending the TR meeting on pending issues and be prepared to speak to their respective Legislators regarding those issues. (TR appoints Legislative Liaisons.) 4. To encourage all REALTOR® members to register themselves to vote and encourage the public to be registered voters. *5.* Adhere to the TR *REALTOR® Political Action Committee Local Funds Policy (see TR policies)*
Size, Composition, Appointment	The Task Force shall be composed of 7 members selected by the Chair. Incoming President appoints the Chair
Term(s)	1-year term
Reports to	Government Affairs Committee
Staff Liaison	CEO or Designee

313. GRIEVANCE COMMITTEE

Name:	Grievance Committee
Group Type:	Standing Committee
Open or Closed Meeting	Closed meeting
Purpose	The purpose of the Grievance Committee is to investigate complaints received from the public and members to determine if the complaint has sufficient substance and merit to warrant an ethics, mediation or arbitration hearing.
Strategic Plan Assignment	Goal 2, Objective 2.3
Duties and Responsibilities	1. Be familiar with the NETAR Strategic Plan and specifically, those objectives assigned above. 2. Be familiar with, and stay within, approved budget line items 3. Attend training annually on the Professional Standards process and policies. 4. Meet as requested to review formal ethics complaints and requests for arbitration, in compliance with the NAR COE procedures. 5. Mandatory mediation is required prior to any arbitration hearing.
Size and Composition	The committee shall be composed of 15 – 20 REALTORS® members in good-standing. There shall be a minimum of 2 C/I MLS members.
Term(s)	Staggered 3-year term
Method of Appointment for Chair and Vice-Chair	Incoming President appoints the Chair and the incoming President-elect appoints the Vice-Chair with Board of Director approval at the November meeting.
Method of Appointment for committee members	Chair appoints, with input from the Vice-Chair and assigned staff, with Board of Director approval at the January meeting.
Reports to	Board of Directors
Qualifications to serve	1. REALTOR® member in good standing. 2. Annually attend professional standards training. 3. Minimum of 3 years as a REALTOR®. 4. In carrying out their duties, committee members will receive, review and possess sensitive and confidential information regarding professional standards matters brought before the Association. Each committee member shall have a duty not to disclose confidential information and shall memorialize these confidentiality obligations by executing a confidentiality agreement before commencing service as a committee member. 5. Required to sign a conflict of interest, and other NETAR disclosure statements. 6. No NETAR officer may serve during his/her term of office.
Absences	Per NETAR Absence Policy
Staff Liaison	CEO or Designee

314. LEADERSHIP DEVELOPMENT COMMITTEE

Name:	Leadership Development Committee
Group Type:	Standing Committee. Oversees these Task Forces: Nominating, MLS Nominating, Elections, Leadership Academy and Member Recognition (see Section 315)
Open or Closed Meeting	Closed meeting. All Leadership Development Task Forces are closed meetings.
Purpose	The purpose of the Leadership Development Committee is to: 1) oversee the nominating and election process for officers and directors and the MLS nominating process, 2) seek out and identify new leadership for NETAR and provide a leadership training program, and 3) recognize REALTOR® and Business Partner members through an annual awards program
Strategic Plan Assignment	Goal 4, Objective 4.5 Goal 2, Objective 2.2 (MLS Nominating)
Duties and Responsibilities	1. Be familiar with the NETAR Strategic Plan and specifically, those objectives assigned above. 2. Be familiar with, and stay within, approved budget line items.
Size and Composition	The committee shall be composed of 10-12 REALTOR® members in good-standing, including 3 past NETAR Presidents (including the Immediate Past President), 3 current NETAR Board members, 1 member who served as an MLS Director or Officer within the past 3 years, and 3 - 5 At-large members appointed by the President. The Chair of the Leadership Academy TF and the Member Recognition TF must come from one of the above members.
Term(s)	1-year term
Method of Appointment for Chair and Vice-Chair	Immediate Past President serves as the Chair. There is no Vice-Chair.
Method of Appointment for committee members	Chair appoints, with input from President and CEO, with Board of Director approval at the January meeting. • The Chairs of the Leadership Academy, and Member Recognition Task Forces are to be appointed from the Leadership Development committee members. Exception: The President shall appoint the 9 REALTORS® members of the Nominating Task Force and the 5 members of the MLS Nominating Task Force.
Reports to	Board of Directors
Qualifications to serve	1. REALTOR® or Business Partner (Affiliate) member in good standing. 2. Required to sign a conflict of interest, confidentiality and other NETAR disclosure statements.
Absences	Per NETAR Absence Policy
Staff Liaison	CEO or Designee

315. TASK FORCES OF THE LEADERSHIP DEVELOPMENT COMMITTEE

Name:	**Nominating Task Force – convened annually**
Open or Closed Meeting	Closed meeting
Purpose – NETAR Nominations	**REFER TO BYLAWS ARTICLE XI, Section 5** The purposes of the Nominating Task Force is to: 1) identify, interview and nominate qualified candidates to serve as officers and directors in compliance with the Bylaws and with the election timelines, and 2) identify and encourage qualified members to apply for NAR, TR and NETAR committee and other leadership positions.
Purpose – MLS Nominations	**REFER TO BYLAWS Article XI, Section 6** The purpose of the Nominating Task Force is to nominate nine (9) proxy holders and three (3) Directors to represent the Association at all annual and special meetings of the shareholders of MLS.
MLS Nominations Duties and Responsibilities	1. The MLS Nominating Task Force shall endeavor to select nominees from each of the three geographic areas represented by the three former Associations who merged to form the Northeast Tennessee Association of REALTORS® (the Greeneville, Johnson City and Kingsport Associations). 2. The MLS Nominating Task Force shall report the list of nominees to the President and Directors of the Association prior to the August Directors Meeting. Any NETAR Director shall have the right to nominate additional REALTOR® member for consideration by the NETAR Directors. a. Upon approval the nine elected shall represent the Association as proxy holders and vote the stock which the Association owns in MLS, at the annual and all special meetings of the shareholders of MLS. 3. The NETAR Directors shall elect the three (3) directors which the Association is entitled to elect each year as members of the MLS Board of Directors.
Term(s)	1-year term
Reports to	Leadership Development Committee
Staff Liaison	CEO or Designee

Name:	**Election Task Force – convened annually**
Purpose	Per Bylaws - Article XI, Section 6.c - The purposes of the Election Task Force are to tabulate and certify all votes cast, whether in person, electronically or by absentee ballot. In case of a tie vote, the issue shall be determined by lot.
Size, Composition & Appointment	The Task Force shall be composed of 3 REALTORS® members selected by the Leadership Development Chair. The Immediate Past President serves as the Chair. There is no Vice-Chair.
Term(s)	1-year term
Reports to	Leadership Development Committee
Staff Liaison	CEO or Designee

Name:	**Leadership Academy Task Force – convened annually**
Purpose	The purpose of the Leadership Academy Task Force is to 1) with staff, coordinate all aspects of a Leadership Program to develop future NETAR leaders, 2) determine the curriculum, speakers and sponsorship support for the Leadership Academy.
Size, Composition & Appointment	The Task Force shall be composed of 2 members selected by the Chair. The Chair of the Leadership Academy Task Force shall serve on the Leadership Development Committee.
Duties & Responsibilities	1. To train participants by developing leadership skills. 2. To increase participant's awareness of real estate and Association management issues. 3. To establish dates of each retreat by February Directors meeting and present a detailed outline for each retreat by March Board of Directors meeting. 4. Notify members of leadership opportunities, distribute applications and review completed applications. 5. Revise application form for leadership position as needed.
Term(s)	1-year term
Reports to	Leadership Development Committee
Staff Liaison	CEO or Designee

Name:	**Member Recognition Task Force – convened annually**
Purpose	The purpose of the Member Recognition Task Force is to: 1) recognize NETAR members for outstanding service to the Association and for professional development, 2) review and update awards and awards criteria yearly, and 3) review and verify submitted applications and select recipients the Membership Recognition program.
Size, Composition & Appointment	The Task Force shall be composed of xx members selected by the Chair. The Chair of the Member Recognition Task Force shall serve on the Leadership Development Committee.
Term(s)	1-year term
Reports to	Leadership Development Committee
Staff Liaison	CEO or Designee

316. PROFESSIONAL DEVELOPMENT COMMITTEE

Name:	Professional Development Committee
Group Type:	Standing Committee. See #6 under Duties for all formed Task Forces (Section 317)
Open or Closed Meeting	Open meeting
Purpose	The purpose of the Professional Development Committee is to provide education, information, business and technology tools and specialty services designed to enhance members' businesses at every stage of their careers.
Strategic Plan Assignment	Goal 2, Objectives 2.1, 2.2 and 2.4
Duties and Responsibilities	1. Be familiar with the NETAR Strategic Plan and specifically, those objectives assigned above. 2. Be familiar with, and stay within, approved budget line items. 3. Work with staff to schedule and plan for CE courses for VA and TN. 4. Work with staff to plan for other education such as NAR designations, etc. 5. Work with staff to plan for networking and special events. 6. Educate members on new technology designed to enhance their businesses. 7. Work with the President-Elect and Chief Executive Officer to plan an effective Annual Leadership Training Retreat for Association officers and chairs. 8. Review the orientation class content with staff to provide a course which reviews the benefits and obligations of REALTOR® membership. 9. Oversee the following Task Forces: Education Blitz, Trade Show, YPN, Appraisal, Commercial and International real estate, etc. 10. Be proactive about enhancing NETAR's social media presence through attending events, taking photos and regularly posting positive news online.
Size and Composition	The committee shall be composed of 9 – 15 REALTORS® and Business Partner (Affiliate) members. At least 4 positions will be set aside for members which represent these specialty areas: YPN, Appraisal, Commercial, and International RE.
Term(s)	1-year term
Method of Appointment for Chair and Vice-Chair	Incoming President appoints the Chair and the incoming President-elect appoints the Vice-Chair with Board of Director approval at the November meeting.
Method of Appointment for committee members	Chair appoints, with input from the Vice-Chair and assigned staff, with Board of Director approval at the January meeting.
Reports to	Board of Directors
Qualifications to serve	1. REALTOR® or Business Partner (Affiliate) member in good standing. 2. Required to sign a conflict of interest, confidentiality and other NETAR disclosure statements.
Absences	Per NETAR Absence Policy
Staff Liaison	CEO or Designee

317. TASK FORCES OF THE PROFESSIONAL DEVELOPMENT COMMITTEE

Name:	**Education Blitz Task Force – convened annually**
Purpose	The purpose of the Education Blitz Task Force is to provide a member service and to offer free education during a Blitz approach.
Size, Composition & Appointment	The Task Force shall be composed of 3-5 members selected by the Chair. The Chair of the Education Blitz Task Force shall serve on the Professional Development Committee.
Term(s)	1-year term
Reports to	Professional Development Committee
Staff Liaison	CEO or Designee

Name:	**REALTOR Expo Task Force – convened annually**
Purpose	The purpose of the Trade Show Task Force is to offer an opportunity for Business Partners and Realtors to network and to learn from each other.
Size, Composition & Appointment	The Task Force shall be composed of 3-5 members selected by the Chair. The Chair of the Trade Show Task Force shall serve on the Professional Development Committee.
Term(s)	1-year term
Reports to	Professional Development Committee
Staff Liaison	CEO or Designee

Name:	**Specialty R.E. Task Forces – convened annually**
Purpose	The purpose of the various Specialty Task Forces is to act as liaisons for specialty groups to the Board of Directors, including Appraisers; Commercial real estate, International real estate and Young Professionals.
Size, Composition & Appointment	The Task Force shall be composed of xx members selected by the Chair. The Chairs of the various Specialty Task Forces shall serve on the Professional Development Committee.
Term(s)	1-year term
Reports to	Professional Development Committee
Staff Liaison	CEO or Designee

318. PROFESSIONAL STANDARDS COMMITTEE

Name:	Professional Standards Committee
Group Type:	Standing Committee
Open or Closed Meeting	Closed meeting
Purpose	The purpose of the Professional Standards Committee is to be responsible for enforcement of the NAR Code of Ethics through conducting ethics and arbitration hearings.
Strategic Plan Assignment	Goal 2, Objective 2.3
Duties and Responsibilities	1. Attend training annually on the Professional Standards process and policies. 2. Conduct ethics or arbitration hearings received from the Grievance Committee and in compliance with the NAR COE procedures.
Size and Composition	The committee shall be composed of 20- 25 REALTOR® members in good-standing, selected by Chair, and annually approved by the Board of Directors.
Term(s)	Staggered 3-year term.
Method of Appointment for Chair and Vice-Chair	Incoming President appoints the Chair and the incoming President-elect appoints the Vice-Chair with Board of Director approval at the November meeting.
Method of Appointment for committee members	Chair appoints, with input from the Vice-Chair and assigned staff, with Board of Director approval at the January meeting.
Reports to	Board of Directors
Qualifications to serve	1. REALTOR® member in good standing, 2. Annually attend professional standards training as determined by NETAR. 3. Minimum of 5 years as a REALTOR®. 4. Must have served at least one 3-yr. term on the Grievance Committee. 5. In carrying out their duties, committee members will receive, review and possess sensitive and confidential information regarding professional standards matters brought before the Association. Each committee member shall have a duty not to disclose confidential information and shall memorialize these confidentiality obligations by executing a confidentiality agreement before commencing service as a committee member. 6. No NETAR officer may serve during his/her term of office.
Absences	Per NETAR Absence Policy
Staff Liaison	CEO or Designee

SECTION 4: FINANCIAL POLICIES

401. INTRODUCTION

The following section is intended to provide an overview of the accounting and financial policies and procedures applicable to the Northeast Tennessee Association of REALTORS® (NETAR). The CEO, assigned staff and the Budget and Finance Committee shall review this section minimally every three (3) years.

NETAR is incorporated in the state of Tennessee and exempt from federal income taxes under the Internal Revenue Code, Section 501 (c) 6, as a nonprofit corporation. Several other corporate entities also fall under the umbrella of NETAR, including:

CORPORATE ENTITY	FILING	FORMED
Northeast Tennessee Ass. of REALTORS® NETAR Multiple Listing Service	TN NFP Corporation 501 (c)6	Formed:

This section shall document the accounting and financial operations of the Association. Its primary purpose is to formalize accounting and financial policies and selected procedures for the accounting staff and to document internal controls.

All NETAR staff is bound by the policies herein, and any deviation from established policy is prohibited unless management approves deviation.

402. ACCOUNTING OVERVIEW

The fiscal year of the association is January 1st – December 31st.

The CEO and assigned staff manage and process financial information for NETAR. Others who have financial oversight include the Treasurer, the Budget and Finance Committee, and the Board of Directors.

CEO Responsibilities:

The primary financial responsibilities of the CEO, Staff, and Independent CPA Consultant consists of:

- Accounts Payable
- Accounts Receivable
- Annual Audit
- Asset Management
- Bank Reconciliation
- Billing
- Budget Development with Treasurer and Budget and Finance Committee
- Investment Management with Treasurer, Budget and Finance Committee
- Compliance with Government Reporting Requirements
- Contracts Administration
- External Reporting of Financial Information
- Financial Statement Preparation
- General Ledger Maintenance
- Payroll

403. CASH AND CHECK RECEIPTS

NETAR staff are required to process transactions involving money, for which they are held accountable.

Cash handling:

NETAR does not accept cash payments.

Processing of Checks Received in the Mail:

All checks received are taken to the bank within five business day for deposit and checks posted to appropriate accounts. Staff will scan the check and attached digitally with the deposit ticket in QuickBooks.

Reconciliation of Deposits:

On a monthly basis, the Accountant shall reconcile the listings of receipts to bank deposits reflected on the monthly bank statement. Any discrepancies shall be immediately investigated. Unopened Bank statements should be addressed to the CEO, who will do an initial review of checks that cleared during the prior month.

Keeping Funds Safe:

Under no circumstances should checks received or any cash receipts be left in plain view or not secured. Funds must be kept safe at all times. Missing funds must be immediately reported to the CEO verbally and via email.

404. PROCESSING OF CREDIT NETAR PAYMENTS

NETAR accepts MasterCard, Visa and American Express, and Discover credit cards for payment, all of which are authorized through the participating credit card company. This is done by following the credit card authorization instructions from the participating credit card company. The National Association of REALTORS® e-commerce system and QuickBooks are used for credit card processing. NETAR does not retain credit card information from members.

405. BANK RECONCILIATIONS

Bank account statements are printed out and are reviewed and approved by the Treasurer and CEO on a monthly basis. All final approved bank reconciliations and copies of resulting journal entries are filed in the current year's accounting files. Journal Entries will only be made by Chief Executive Officer or the Accountant.

406. DUES COLLECTION

All dues and assessments for the upcoming fiscal year as established and amended from time-to-time by the National Association of REALTORS® (NAR), the Tennessee REALTORS® (TR), and NETAR shall be due in full on or before January 1st of such upcoming year. The local, state, and national dues owed shall be generated into one yearly billing and sent out no later than November 1 of each year. Members who have not paid full dues on or before February 1st shall be terminated at the discretion of the Board of Directors for non-payment. Dues may not be paid in cash.

Late Fees: If dues, fees, fines, or other assessments including amounts owed to the Board or the Board's Multiple Listing Service are not paid within one (l) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after the due date, membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a

Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Board or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

Dues will not be refunded, unless payment is made, and the request received prior to December 31st. In the event of an overpayment, the amount overpaid will be returned with a letter of explanation.

Membership dues shall not be forwarded to NAR or TR until said dues are actually received. Association members shall not be permitted to utilize member-only programs and any services developed by NAR, TR or NETAR until dues have been received by NAR and TR.

407. REFUNDS

Dues Refunds:

Dues will not be refunded, unless payment is made, and the request received prior to December 31st.

Class Fee Refunds:

Class fees will be refunded if the registrant cancels at least 24 hours prior to the scheduled class. An e-commerce administration fee will be deducted from the refund of class fees.

408. ACCOUNTS RECEIVABLE MANAGEMENT

Monitoring and Reconciliations:

Prior to the monthly Board meeting, following month-end, a detailed accounts receivable report (showing aged, outstanding invoices by member) is generated.

Credits and Other Adjustments to Accounts Receivable:

Credits against accounts receivable from transactions other than payments and bad debts will occur.

409. ACCOUNTS PAYABLE MANAGEMENT

NETAR strives to maintain efficient business practices and proper cost control. A well-managed accounts payable function can promote this goal from the purchasing decision through payment and check reconciliation.

The primary objective for accounts payable and cash disbursements is to ensure that:

1. Disbursements are properly authorized
2. Invoices are processed in a timely manner
3. Vendor credit terms and operating cash are managed for maximum benefits

Recording of Accounts Payable:

1. All valid accounts payable transactions, properly supported with the required documentation, shall be recorded as accounts payable in QuickBooks in a timely manner.

2. Accounts payable are processed on a weekly basis. Information is entered into the system from approved invoices or disbursement vouchers with appropriate documentation attached.

3. It is the policy of NETAR that original invoices will be processed for payment unless duplicated copies have been verified as unpaid by researching the vendor records.

Each original invoice will be marked paid. This will reduce the possibility of paying an invoice twice
payable function can promote this goal from the purchasing decision through payment and check reconciliation.

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7. Each original invoice will be marked paid. This will reduce the possibility of paying an invoice twice.

410. CASH DISBURSEMENTS AND CHECK-WRITING

It is the policy of NETAR to print and disburse checks on a weekly basis. Checks shall be prepared by assigned staff who is independent of those who initiate or approve expenditures, as well as those who are signatories.

Reimbursement Checks:
All expense reimbursement checks shall be produced in accordance with the following guidelines:

1. Expenditures must be supported in conformity with the purchasing, accounts payable, and travel and business entertainment policies.
2. Timing of disbursements should generally be made to take advantage of all early-payment discounts offered by vendors.
3. Generally, all vendors will be paid within 30 days of submitting a proper invoice upon delivery of the requested goods or services.
4. Total cash requirements associated with each check run are monitored in conjunction with available cash balance in bank prior to the release of any checks.
5. All supporting documentation is attached to the corresponding check prior to forwarding the entire package to an authorized check signer.
6. Checks will be utilized in numerical order. (It is the policy of this Association to keep unused check supplies safeguarded under lock and key.)
7. Checks will never be made payable to "bearer" or "cash."
8. Checks will never be signed prior to being prepared.

Check Signing:
Prior to signing a check, signers should examine all original supporting documentation to ensure that each item has been properly tended to. Checks should not be signed if supporting documentation appears to be missing or there are any questions about disbursement.

All checks require two signatures. No checks will be signed prior to the check being completed in its entirety (no signing of blank checks). Check signers are the President, President-elect, Secretary/Treasurer, and CEO. Checks are preferably signed by the Treasurer and CEO.

Voided Checks:
Checks are marked as void and signature lines removed. The CEO and the Treasurer initial that the check has been voided and they are filed in numerical order.

411. NETAR CORPORATE CREDIT

The Board has approved the CEO to be provided a corporate credit card in order to conduct Association Business. Assigned staff is responsible for providing the credit card statement and receipts to the Treasurer on a monthly basis. All receipts for credit card use are to be scanned and placed in a folder with the original check stub.

412. RESPONSIBILITY FOR PURCHASING

The CEO and assigned staff are authorized to purchase anything approved within the current year's budget. Amounts recorded are based on vendor invoices for the related goods or services. Vendor invoices should be reviewed and approved by the CEO prior to being processed for payment. Invoices and related general ledger account distribution codes are reviewed prior to posting to the general ledger by the CEO.

413. PAYROLL PROCESSING AND BENEFITS ADMINISTRATION

It is NETAR's policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. The Association pays on a weekly basis. The CEO processes weekly payroll through a direct deposit system using QuickBooks. Payroll tax payments and required payroll returns are filed by QuickBooks.

414. PROPERTY AND EQUIPMENT

Capitalization Policy:

Any item that will have a lifespan of greater that one year and costs greater than $2,500.00 will be placed on a depreciation schedule per our Capitalization Policy. When a qualifying item is purchased a copy of the invoice will be placed in a Capitalization Folder to be made available during the annual audit process.

When renovations with a greater total value of more than $2500.00 that have an overall lifespan of more than one year are done to NETAR facilities, all associated costs will be capitalized except for "demonisms" expenses for non- permanent expenses such as painting or other cosmetic improvements.

415. AUTHORIZED TRAVEL ON BEHALF OF NETAR

The following will be authorized to travel on behalf of NETAR to the following events/meetings:

Local travel within the NETAR jurisdiction:

- President
- President-elect
- Staff

Travel to TR Business Meetings:

- President
- President-elect
- CEO and/or assigned staff
- TR Directors - $500 stipend per meeting
- Government Affairs Chair (as approved in the annual budget)

Travel to NAR Meetings:

Association Executives Institute

- CEO and assigned staff

NAR Meetings:

- President
- President-elect
- CEO and/or assigned staff

416. TRAVEL POLICIES

This policy will be reviewed annually by the Budget & Finance Committee as part of the annual budget. Any planned travel expense shall be estimated prior to preparation of the Association's Annual Budget.

Reimbursements for travel expenses, business meals, or other approved costs will be made only upon receipt of an approved and completed Association Expense Statement form. The expense report must include a brief description of the 5 W's (who, what, when, where and why) and shall be turned into the Association office and settlement made within thirty (30) days after returning from trips.

Approved travel expenses:

- Airfare: round trip economy airfare.
- Parking: airport and hotel/motel; restaurant valet parking.

- Room: rate as quoted by the meeting location.
- Meals: Receipts, if possible, on any meals.
- Transportation: Taxi and/or economical transportation to and from airport, meetings, dinner.
- Mileage: per mile rate to be tied to IRS regulations.
- Tips
- Length of stay: Duration of meeting and allowance for reasonable arrival time. Rental cars in locations where it is more economical than cabs, car rental will be at the discretion of the CEO and/or President.
- Officers designated as the official delegates will be expected to attend any and all meetings where voting occurs.
- Entertainment of specific individuals for benefit of the association shall be at the discretion of the President and/or CEO. Receipts must be provided.
- Meetings two (2) days or longer in length or meetings 100 miles or farther from association office will be considered "out of town" and hotel accommodations will be left at the discretion of the President and/or CEO.
- Internet access within reason will be reimbursed.
- Spouse's or guest's expenses are to be paid for personally.
- Sight- seeing expenses are to be paid for personally.
- Transportation and other necessary travel expenses, as authorized by the association, shall be paid by the Association. Costs for commercial transportation, taxi fare, telephone calls, faxes, hotel or lodging, meals tips, and other costs which are incidental and necessary to a performance of official business are allowable costs, these expenses should be supported by receipts, where possible, and other documentation for reimbursement.

417. INVESTMENT AND RESERVE POLICY

NETAR will treat all assets of the Association, including those funds that are legally unrestricted, as though they are held by NETAR in a fiduciary capacity for the purpose of accomplishing the Association's overall mission. As such, the policies described in this section are to be interpreted in light of that overall sense of stewardship, and the investment standards of NETAR shall be those of a prudent investor.

Responsibility of the Investment Manager(s):

Investments in various stocks, bonds, mutual funds or certificates of deposits on behalf of the Association shall be made in a professional and prudent manner.

The Budget and Finance Committee shall review a quarterly report from the custodian of Association assets. The custodian's statement shall provide investment holdings in detail including, but not limited to, transaction details and interest income.

The report shall provide a statement that gives an executive summary of the Association's investments and performance, including the account balance, deposits/withdrawals, portfolio gain or loss for the month and year-to-date. The statement shall show all investments in the categories previously identified in this investment policy and report the month and year-to-date gain/loss for each investment.

Reserves:

The Association will maintain at least a 6 to 12-month operating reserve, which is deemed to be sufficient to properly provide for the Association's financial solvency in the event of a crisis or unforeseen emergency. Reserve levels shall be monitored throughout the year by the CEO and Secretary/Treasurer and reported to the Board by the CEO at least twice a year. Any use of the reserve funds shall be carefully considered and shall not be depleted to a level placing the Association in a position of risk.

Cash Reserves are computed as follows: Total Cash Balance minus the Total Liabilities divided by Average Monthly Expenses budgeted. This will give you a quantity of months of expenses currently in the bank. You will then subtract the # of months remaining until the end of the calendar year to get the # of months of cash beyond the current budgeted expenses - i.e. reserve/savings.

418. BUDGET DEVELOPMENT AND APPROVALS

The CEO, in coordination with appropriate staff and the Treasurer, is responsible for preparing the Association's annual budget for the upcoming fiscal year no later than September 1st prior to such year. Every attempt to align the budget with the current NETAR Strategic Plan should be undertaken.
The CEO shall submit a draft annual budget to the Budget and Finance Committee for review. If necessary, the Budget and Finance Committee shall recommend adjustments to the budget. The Committee will submit the draft budget to the Board for approval and adjustments, if necessary, no later than September 30th of each year.

Budget Modifications:

After a budget has been approved by the Board of Directors and adopted by the Association, reclassifications of budgeted expense amounts can be recommended by the CEO for review and recommendation to the Board of Directors and approved by Board of Directors via a motion to adjust.

All requests for funds outside of the approved budget must be reviewed by the Budget and Finance Committee and forwarded to Board of Directors to determine if funds are appropriate and should be funded or denied.

Non-budgeted Expenditure Policy:

The Chief Executive Officer is to communicate with the President and/or Treasurer regarding expenditures exceeding $500.00 for non-budgeted items. When possible, multiple estimates will be obtained prior to financial commitments.

419. FINANCIAL AND OVERSIGHT MANAGEMENT

Monitoring Performance:

NETAR's policy is to monitor its financial performance by comparing and analyzing actual results with budgeted results. This function shall be accomplished in conjunction with the monthly financial reporting process described below.

On a monthly basis, financial reports comparing actual year-to-date revenues and expenses with budgeted year-to-date amounts shall be produced by the CEO and reviewed by the Treasurer. Any variances shall be explained as well as provide updated forecasts.

The CEO is responsible for maintaining a monthly balance sheet, monthly statement of income and expenses, as well as monthly receipts and disbursements for the Association. At each regular meeting of the Board of Directors the CEO or the Treasurer is responsible to present to the Board the monthly balance sheet, monthly statement of income and expenses.

420. FINANCIAL STATMENTS

NETAR's fiscal year is January 1st through December 31st.

NETAR shall maintain a chart of accounts which all staff involved with accounting coding responsibilities or budgetary responsibilities shall utilize. The chart of accounts must be reviewed annually and as needed, updated throughout the fiscal year upon approval by the CEO.

Financial Statements of the Association:
Preparing financial statements and communicating key financial information is a necessary and critical accounting function. Financial statements are management tools used in making decisions, in monitoring the achievement of financial objectives, and as a standard method for providing information to interested parties external to the Association. Financial statements may reflect year-to-year historical comparisons or current year budget to actual comparisons.

The basic financial statements of NETAR that are maintained on an Association-wide basis shall include:

1. **Statement of Financial Position** - reflects assets, liabilities and net assets of the Association and classifies assets and liabilities as current or non-current/long-term.
2. **Statement of Activities** - presents revenues and expenses for each department/program.

Frequency of Preparation:
The accounting staff is to prepare accurate financial statements in accordance with generally accepted accounting principles and distribute them in a timely manner. In meeting this responsibility, a standard set of financial statements described above shall be produced on a monthly basis, by to the Board of Directors meeting. The monthly set of financial statements shall be prepared on the accrual method of accounting, including all receivables, and accounts payable received by the end of the prior month. A complete set of monthly financial statements shall be forwarded to the Board of Directors for review.

421. ANNUAL AUDIT

Role of the Independent Auditor:
Every year, NETAR shall arrange for an audit of the Association's financial statements to be conducted by an independent accounting firm. The independent accounting firm selected by NETAR will be required to communicate directly with the Association's Budget and Finance Committee upon the completion of its audit. Audited financial statements, including the auditor's opinion thereon, will be submitted and presented to the Board of Directors by the independent accounting firm after the financial statements have been reviewed and approved by the Budget and Finance Committee.

Selecting an Auditor:
The Board of Directors, upon recommendation of the CEO and the Budget and Finance committee will appoint a CPA to prepare the annual audit.

The following factors shall be considered by NETAR in selecting an accounting firm:

- The firm’s reputation in the nonprofit community
- The depth of the firm’s understanding of and experience with not-for-profit associations
- The firm’s demonstrated ability to provide the services requested in a timely manner
- The ability of firm personnel to communicate with Association personnel in a professional and congenial manner

Preparation for the Audit or Review:
NETAR staff and Independent CPA Consultants will be actively involved in planning for and assisting with the Association’s independent accounting firm in order to ensure a smooth and timely audit, review, or compilation of its financial statements.

Annual Financial Statements:
A formal presentation of the Association's annual financial statements shall be provided by the Independent Auditor to the Board of Directors.

422. ERRORS AND OMISSIONS INSURANCE

The CEO is responsible for obtaining and maintaining legally-mandated and NAR-recommended insurance policies as identified by the Board from time-to-time and for ensuring that all documents of the Association are in compliance with the Association's errors & omissions insurance policy. Whether to obtain additional coverage shall be determined annually by the Board during the NAR open period.

Coverage Guidelines:
As a guideline, NETAR will arrange for the following types and levels of insurance as a minimum:
NAR INSURING CLAUSE IA provides coverage for LIABILITY and DEFENSE EXPENSE up to the applicable limit of liability ($4,000,000 Per Claim) for the following:

- Wrongful Act
- Personal Injury
- Publishers Liability

NAR INSURING CLAUSE IB provides coverage for DEFENSE EXPENSE ONLY up to the applicable limit of liability ($1,000,000 Per Claim) for the following:

- Anti-Trust
- Discrimination
- Sexual Harassment
- Employment Practices
- Trademark & Copyright Infringement – Multiple Listing Services
- Dispute Resolution System
- Breach of Contract

EMPLOYMENT PRACTICES LIABILITY COVERAGE provides Associations with LIABILITY COVERAGE for costs relating to settlements or judgments for employment practices claims against the Association, Directors, Officers or staff arising from:

- Hiring
- Firing
- Compensation
- Employee Privileges
- Other Terms of Employment

Type of Coverage	Amount of Coverage
• Liability and Medical Expense	
• (Per Occurrence)	$ 1,000,000.00
• (Per Person)	$ 10,000.00
• Comprehensive Liability	
• Employee dishonesty/bonding	$250,000.00 fidelity bond that also protects against employee dishonesty, $10,000 for Forgery and alteration, $15,000.00 for theft on the premise and $5,000.00 off the premises.

- Fire and Water Damage — Coverage for all items with acquisition cost greater than $1,000
- Accounts Receivable — $25,000.00
- Valuable Paper/Records — $25,000.00
- Directors and Officers — $1,000,000 (with an appropriate deductible level)
- Theft — Coverage for all items with acquisition cost greater than $1,000
- Workers' Compensation — To the extent required by law
- NAR E&O/D&O Coverage — Per NAR's coverage limits in each section of coverage

(Note: NETAR shall obtain the highest coverage amount possible.)

CYBER RESPONSE COVERAGE provides Associations with Cyber Incident response expenses, digital data recovery, and extortion expenses.

423. DOCUMENT RETENTION POLICY

NETAR shall have a system in place for maintaining and destroying information, including electronic information. The Board is aware that the most important element for a good record retention policy is to follow the policy The Board also recognizes that a record retention policy adopted and followed by NETAR will reduce the cost and burdens of any future litigation. NETAR must be prepared to preserve all relevant documents and other information within its control once it learns about the possibility of litigation or actual litigation involving issues for which this information or the documents may be relevant.

The document retention policy describes various documents to be retained and provides the length of time each document shall be retained. It shall be the responsibility of the CEO of NETAR to maintain and annually enforce the policy and to insure that NETAR's employees follow the policy.

Documents to be retained shall be reduced to an electronic format to save physical space. Since certain types of records, such as employment records, are governed by state and federal privacy laws, NETAR shall comply with these laws as they govern the confidentiality and destruction of these documents.

Listed below are documents that NETAR does or may maintain in its files. Next to each entry is the time requirement for which NETAR shall maintain these documents.

Accounting Records:

- Accounts payable (seven years)
- Accounts receivable (seven years)
- Annual financial statements (permanent)
- Bank statements (seven years)
- Bank reconciliations (seven years)
- Canceled checks- routine matters (seven years)
- Canceled checks- special (loan repayment, etc.) (permanent)
- Correspondence: routine (four years)
- Deeds and closing papers (permanent)
- Deposit slips (four years)
- Electronic payment records (seven years)
- Employee expense reports (seven years)
- Fixed-asset acquisition invoices (after disposal) (seven years)
- Freight bills (seven years)

- General ledgers (permanent)
- Income tax returns (permanent)
- Inventory count and costing sheets (seven years)
- Insurance policies (after expiration) (four years)
- Investments (after disposal) (seven years)
- Mortgages, loans and leases (paid) (seven years)
- Payroll journals and ledgers (permanent)
- Purchase orders (except accounts payable copy) (four years)
- Purchase invoices (four years)
- Receiving sheets (two years)
- Sales tax returns and exemption support (seven years)
- Subsidiary ledgers (seven years)
- Trial balances (permanent)

Association Corporate Records:

- Articles of Incorporation and amendments (permanent)
- Bylaws and amendments (permanent)
- Corporate filings (permanent)
- Corporate Minute Book (permanent)
- IRS Exemption Letter (permanent)

<u>Employment Records</u>

- Documents relating to job recruitment, such as advertising, job orders submitted to employment agencies, interviewing, testing, hiring and training (1 year)
- Documents relating to personnel decisions, such as demotions, promotions, layoffs, discharge and other personnel decisions (three years)
- Employee benefit plan documents. (duration of plan)
- FMLA leave records including all FMLA information and notices distributed to these employees and records of any FMLA disputes. (three years)
- Immigration 1-9 forms {duration of employment plus one year, minimum of three years)
- Medical records relating to the exposure of the employee to any toxic or hazardous substances (duration of employment plus 30 years).
- Payroll records showing name address, date of birth, occupation, rate of pay, and weekly compensation (six years)
- Personnel Records (ten years after employment ends)
- Any ERISA awards (five years for ERISA; six years for occupational injuries)

Legal Documents:

- Contracts (ten years after expiration)
- License Applications (one year after expiration)
- Trademarks, Patents and Copyrights (permanent)
- Warranties and Guaranties (two years beyond terms of the warranty)
- Correspondence: legal (permanent)

MLS Documents:

- Rules and Regulations (permanent)
- MLS Policies (permanent)

- Listing agreements (six years after expiration of listing)
- Sold property information (ten years)
- Lockbox key agreements/Leases (one year after agreement terminates)
- MLS Service Mark License Agreements (Permanent)
- Participation Agreements (ten years after expiration)
- Website Click-Through Confirmations (ten years)

Association Documents:

- NAR charter (permanent)
- Territorial jurisdiction (permanent)
- REALTOR® Agreement (until superseded)
- Member file and membership applications (two years after membership terminates)
- Professional Standards Hearing Records: Ethics minimum of 1 year after satisfaction of sanctions (result of hearing- permanent; rest of hearing file - (if any) and there is no threat of litigation)
-
- Arbitration/Mediation (minimum of 1 year after payment of award (if any) and there is no threat of litigation)

Property Records:

- Deeds of Title (permanent)
- Leases (two years after expiration)
- Depreciation schedules (permanent)
- Property Damage (five years)
- Property Tax (permanent)
- Appraisals (permanent)
- Blueprints / Plans (permanent)

Electronically Stored Information:

- Specific documents in electronic formats will be treated according to the time frame set forth elsewhere in this Policy. NETAR maintains information stored on a backup system corresponding to the time frame set forth for individual documents elsewhere in this Policy. The purpose of the backups is to restore NETAR's computer network in the event of a crash.

424. UNRELATED BUSINESS ACTIVITIES

Identification and Classification

It is the policy of NETAR to properly identify and classify income-producing activities that are unrelated to the Association's tax-exempt purpose using the guidelines described in the Internal Revenue Code and underlying regulations. Such income accounts shall be segregated in separate accounts in the general ledger of NETAR in order to facilitate tracking and accumulation of unrelated trade or business activities.

Allocation of Expenses to Unrelated Activities

In addition to segregating income associated with activities that are unrelated to NETAR's exempt purpose, the Association's general ledger shall also provide accounts for expenses associated with each such unrelated activity. These expenses shall be offset against unrelated business revenue in arriving at unrelated business taxable income. Expenses that shall be offset against gross unrelated business income shall be limited to those expenses directly associated with the production of such income, including

reasonable allocation of indirect costs that benefit each activity, in accordance with expense allocation policies described elsewhere in this manual.

Reporting

It is the Policy of NETAR to file IRS Form 990-T to report taxable income from unrelated trade or business activities. **Form 990-T is not subject to any public access or disclosure requirements.** Accordingly, it is the policy of NETAR not to distribute copies of Form 990-T to anyone other than management of the Association.

NETAR shall also report taxable income from unrelated trade or business activities that are subject to state or local income or franchise taxes on the appropriate return.

425. GOVERNMENT TAX RETURNS

It is the policy of NETAR to utilize its outside CPA firm to prepare all federal and state Income tax returns.

Filing of Returns:

It is the policy of NETAR to comply with all known filing requirements. The Accountant shall be responsible for identifying all filing requirements and assuring that NETAR, and any subsidiaries, are in compliance with all such requirements. It is also the policy of NETAR to file complete and accurate returns with all authorities. NETAR shall make all efforts to avoid filing misleading, inaccurate or incomplete returns.

The CPA, which is approved by the Board of Directors, is also responsible for filing the annual corporate tax returns.

Filings made by NETAR and/or its subsidiaries include, but are not limited to, the following:

- **Form 990** - Annual information return of tax-exempt Associations, filed with IRS. Form 990 for NETAR is due on the fifteenth day of the fifth month following year-end. An automatic 3-month extension of time to file Form 990 may be obtained filing Form 8868. Upon expiration of the first 3-month extension, a second 3-month extension may be requested using Form 8868.
- **Form 990-T** - Annual tax return to report NETAR's unrelated trade or business activities, filed with IRS. Form 990-T is due on the fifteenth day of the fifth month following year-end. An automatic 6-month extension of time to file Form 990-T may be obtained by filing Form 8868.
- **Form 5500** - Annual return for NETAR's employee benefit plans. Form 5500 is due July 31, but a request for extension of time to file may be filed.
- **W-2's and 1099's** - Annual report of employee and non-employee compensation, based on calendar-year compensation, on the cash basis. These information returns are due to employees and independent contractors by January 31 and to federal government by February 28.
- **Form 940** - Annual federal unemployment tax return filed with IRS, is due January 31.
- **Form 941** - Quarterly payroll tax return filed with IRS to report wages paid to employees and federal payroll taxes. Form 941 is due by the end of the month following the end of each quarter, or 10 days later if all payroll tax deposits have been made in a timely manner during the quarter.
- **TN Unemployment Form**

All annual tax and information returns of NETAR (Form 990, Form 990-T) are filed on the accrual basis of reporting. It is the policy of NETAR to utilize its outside CPA firm to prepare all Federal and State Income Tax returns. After receipt from the Association's CPA firm, IRS Form 990 will be reviewed by the Chief Executive Officer, and the Secretary/Treasurer or President prior to submitting to the Internal Revenue Service.

Public Access to Information Returns:
Under regulations that became effective in 1999, NETAR is subject to federal requirements to make the following forms available to the general public:

1. The three most recent annual federal form 990 information returns.
2. NETAR's original application for recognition of its tax-exempt status, filed with IRS, and all accompanying schedules and attachments.

It is the policy of NETAR to adhere to the following guidelines in order to comply with the preceding public disclosure requirements:

1. Anyone appearing in person at the offices of NETAR during normal working hours making a request to inspect the forms will be granted access to a file copy of the forms. Assigned staff shall be responsible for maintaining this copy of each form and for making it available to all requesters.
2. For all written requests for copies of forms received by NETAR, the Association shall require pre-payment of all copying and shipping charges. For requests for copies that are received without pre-payment, NETAR will notify the requester of this policy via phone call or by letter within 7 days of receipt of the original request.
3. The copying cost charged by NETAR for providing copies of requested forms shall be $0.30 for each page copied. Copies shall be shipped to requesters via UPS Ground Ship (shipping charges will be a standard $10.00 per shipment).
4. After payment is received by NETAR, all requested copies shall be shipped to requesters within 30 days. Making of all copies and shipping within the 30-day time period shall be the responsibility of the accounting department.
5. For requests for copies made in person during normal business hours, copies shall be provided while the requester waits.

SECTION 5: GENERAL POLICIES

501. CONFIDENTIALITY POLICY

Officers, Directors, all volunteers, staff and contract consultants shall review and sign a "Confidentiality" policy, to be maintained on file, not less than annually in conjunction with the start of the Association's fiscal year.

Members of the Board of Directors and staff employees of NETAR carry certain duties and responsibilities for the benefit of the organization. This Confidentiality Policy outlines some of those duties and responsibilities in accordance with the Articles of Incorporation, Bylaws and Policy Manual of NETAR (the "Governing Documents").

Board Members and staff employees will have access to Confidential Information that if furnished or made accessible to any non-board member or used in any unauthorized manner could be damaging to NETAR and its members and could result in NETAR being involved as a party litigant in expensive and protracted litigation resulting in significant monetary damages assessed against NETAR. Information provided to the Board and staff employees which shall be considered confidential ("Confidential Information") shall include personnel, financial, contractual and membership matters and matters of a legal nature. This information shall be confidential and shall be used only for the purpose of decision making and in the governance of NETAR. Confidential Information shall be held in the strictest of confidence and no member of the Board of Directors shall, without the prior written consent of the President or CEO NETAR: (i) divulge, furnish or make accessible to any person, including any member of NETAR, or use in any manner any of the Confidential Information except as necessary for the resolution of governance issues and the decision making process of NETAR's Board of Directors; (ii) take any action which might reasonably or foreseeably be expected to compromise the confidentiality of the Confidential Information; or (iii) fail to follow the reasonable suggestions made by the officers and directors of NETAR, from time to time, regarding the confidentiality and proprietary nature of the Confidential Information.

Violations of the Confidentiality Policy may result in disciplinary action. Disciplinary action may include removal of a member from the Board of Directors and as an officer of NETAR and termination of employment of a staff employee.

502. CONFLICT OF INTEREST POLICY

Officers, Directors, all volunteers, staff and contract consultants shall review and sign a "Conflict of Interest" policy, to be maintained on file, not less than annually in conjunction with the start of the Association's fiscal year.

Members of the Board of Directors and staff employees of NETAR perform certain duties and responsibilities for the benefit of the organization. In performing these duties and responsibilities, the Board has adopted the following policies and procedures with respect to potential or actual conflicts of interest involving directors:

POLICY:

Directors owe certain fiduciary duties to NETAR, including the duties of loyalty, diligence and confidentiality, which require that directors act in good faith on behalf of NETAR in exercising the powers conferred to them by NETAR in NETAR and its member's best interests and not for the interest of directors or third parties.

DISCLOSURE:

A director shall promptly disclose to the Board any personal or outside interests, relationships or responsibilities (financial, professional or otherwise) held by the director with respect to any potential or actual transaction, agreement or other activity being considered by the Board which may result in a potential or actual conflict of interest, even if such matter has otherwise been disclosed to NETAR or the Board.

BOARD ACTION:

For any potential or actual conflict, the Board, with the abstention of the interested director, shall decide whether such director may participate in any reporting, discussion or vote on the issue which created the potential or actual conflict. The General Counsel of the Board shall direct the CEO to withhold from such director any information on the conflict issue from materials.

RECUSAL:

Any director with an interest, relationship or responsibility which conflicts with the interest of the NETAR or its members, shall recuse himself or herself from any reporting, discussion or vote on the issue that created the conflict and, if necessary, from the Board meeting, or applicable part thereof.

RESIGNATION:

In circumstances where a director has a significant, ongoing and irreconcilable conflict, and where personal or outside interests, relationships or responsibilities significantly impedes the director's ability to carry out his or her fiduciary responsibility to NETAR, resignation from the Board or termination of the conflicting interest may be appropriate and/or required.

503. ANTI-TRUST COMPLIANCE

Officers, Directors, and all volunteers, staff and contract consultants shall review and sign a "Anti-Trust Compliance" policy, to be maintained on file, not less than annually in conjunction with the start of the Association's fiscal year.

The Board of Directors of NETAR adopted the following policies and procedures regarding potential antitrust violations and strongly recommends that each member of NETAR agree to abide by these policies and procedures.

In antitrust cases, whether criminal prosecutions or civil treble damage suits, proof against the defendant is most likely to come from the defendant or his associates. Thus, an antitrust compliance program must not only avoid actual violations of antitrust laws, but also avoid creating or permitting the creation of files, records, documents, statements or conversations which might create an appearance of a violation. It is impossible, of course, to formulate a set of guidelines to cover all situations at all times, but insofar as the principles of antitrust compliance can be stated in specific rules, members are well advised to abide by the following rules:

Do not discuss business matters with competitors outside of your real estate firm.

At any time, in any place, or under any circumstances, do not have any personal, telephone or e-mail conversations with competitors concerning commissions, fees, charges or any other business practices of your real estate business or those of your firm with which you are associated. At associations or board meetings, confine discussions to topics of association or board business directly involved in the purpose of the organization and the meeting.

Written communication must be clear and explicit.

When you discuss a real estate transaction or the superiority of your business practices over your business competitors, talk only to your broker or associates in the firm with which you are associated. Regardless of how carefully you may phrase your letter or memorandum, things look much different in writing than they sound when spoken between knowledgeable people. Of course, financial and economic data sometimes must be written, but in many instances, any information relevant to business or legal relations can be communicated by talking and talking only to those who have a legitimate justification for receiving the information you are transmitting. More than one antitrust defendant has had his letter, correspondence, memoranda and written notes admitted in evidence against him for purposes for which the writer never intended.

Do not talk unless you know who you're talking to and what you're talking about.

In any business, complete candor among trusted business associates is necessary. It is not necessary, however, to tell everyone your business. Inform only those who need to know such matters as how and in what manner commission or fee contracts were negotiated, how much business you're doing, what your business prospects are, how many and which properties you have sold, and anything else which might be of interest to someone investigating your business for a reason you know nothing about.

If you receive a telephone call from anyone who refuses to identify himself or herself or who begins what amounts to a probing cross-examination about your business practices, terminate the conversation as quickly and courteously as possible. With ever-improved recording devices, it is well to make it a rule in discussing business matters to speak as if you were being recorded.

Do not deceive yourself or let anyone else deceive you into believing that any transgression of the antitrust laws has little risk involved.

The federal government possesses extensive investigatory powers, such as grand juries and civil investigation subpoena, as well as ingenious and dedicated investigators. Also, in private litigation, parties have litigation discovery tools to examine corporate or firm records and documents and to compel testimony. Even though an antitrust violator may not keep records, its competitors or the injured parties may. Unexpected records such as telephone bills, expense accounts, a secretary's notes, engagement calendars or a forgotten written report may be uncovered. Also, your computer's hard drive may be the source of potential information even when you think the information has been erased.

Do not use such terms as "Please Destroy When Read", "For Your Eves Only", "No Copies" or similar terms and phrases.

Experience has demonstrated that even if no copies are made, the original of such documents eventually end up in somebody's file. Even when marked "personal and confidential", the document is usually retained by the recipient and eventually filed. When an antitrust investigation is under way or

documents are produced on a civil investigative demand or in private antitrust litigation, such terms and phrases are red flags for the investigator or opposing counsel.

Do not at any time use any of the words and phrases which NETAR designates as dangerous.

Since such statements are so dangerous, they need to be emphasized here along with some other similar words and phrases:

- "We would like to charge a lower commission, but the board has a rule..."
- "This is the rate that all REALTORS® charge."
- "The MLS will not accept a listing for less than 120 days."
- "Before you list with XYZ Realty, you should know that nobody is going to work on their listings."
- "If John Doe is really professional (or ethical) he would have joined the board."
- "The board requires that all REALTORS® force their salespeople to join."
- "The best way to deal with John Doe is to boycott him.", or "We don't worry about John Doe; we just don't show his listings."
- "If you valued your services as a professional, you wouldn't cut your commissions."
- "If X is going to cut his commissions, we'll just pay him less on splits."
- "No board member will accept a listing for less than 90 days."
- "X is the going rate in this area."
- "We have agreed that any commission below X is unfair."
- "Something has got to be done about that company; nobody can charge such a low commission and make a living."
- "That price-cutter has no business being a member of the board."
- "You will not get a lower commission from a REALTOR®."

If in doubt, consult.

No compliance program or manual can spell out all of the answers to questions which may arise. Situations are bound to arise which create doubt. If you do have doubts about the legal wisdom of any board or business practice, procedure or activity, consult your board executive officer, the broker under whose license you work or legal counsel knowledgeable about antitrust matters.

Without clearance: Don't Do It.

If neither the board executive officer, an executive officer of your firm or legal counsel will give clearance to a proposed business deal or activity with antitrust implications—don't do it.

Under NETAR's policy, antitrust compliance is not a choice, it is a command. The risks are too high for any real estate broker to remain part of an organization which fails to enforce its antitrust compliance program. Lawyers can help with designating compliance guidelines or advising on antitrust compliance matters when they arise, but in the final analysis it will be NETAR and its NETAR Directors, MLS Directors and proxy holders, Professional Standard Committees and Membership Committees who will have to act as the first line of defense against the costs and consequences inherent in failure of antitrust compliance.

However, it remains the responsibility of every member of NETAR to support and implement this Antitrust Compliance Program and demonstrate that REALTORS® are true to that which they profess to believe, the free enterprise system is best devised to secure our economic and personal freedom.

504. FRAUD ACTION PLAN POLICY

Officers, Directors, staff and contract consultants shall review and sign a "Fraud Action Plan" policy, to be maintained on file, not less than annually in conjunction with the start of the Association's fiscal year.

The following Fraud Action Plan is adopted for the Northeast Tennessee Association of REALTORs:

1. NETAR shall be committed to creating and maintaining a culture of honesty and high ethics. This shall be accomplished by the following:

   NETAR staff shall be committed to setting an example for ethical behavior.

   NETAR staff and Board of Directors shall work to create and maintain a positive workplace environment.
   - All employees shall follow policies that enhance a culture of honesty and high ethics.
   - NETAR will make a commitment to the training of employees in the area of ethics.
   - Appropriate and consistent discipline shall be taken after a thorough investigation of an incident of ethical violation.

2. NETAR shall periodically evaluate and improve anti-fraud processes and controls. This shall be accomplished by the following:
   - Adoption of a set of purchasing policies and procedures.
   - Periodic assessment of Commercial Crime Policy.
   - Periodic evaluation of procedures used to handle financial transactions.
   - Implementation of appropriate steps to mitigate identified risks.
   - Periodic evaluation of NETAR's personnel policies and procedures which guide employee ethical behavior.

3. NETAR shall continually develop and utilize an appropriate oversight process including, but not limited to the following:
   - Notification to all employees that instances where fraudulent activity is detected or suspected shall be reported to either the Chief Executive Officer, the President, the Treasurer or the CPA. The Treasurer will report to the Board of Directors. If fraud is detected by the accounting firm the process shall be to inform NETAR legal counsel and appropriate NETAR officer as directed by accounting firm. Chief Executive Officer will be informed if not suspected in potential fraud.
   - Commitment to implementation of reasonable suggestions made by NETAR's auditor.
   - Commitment to implementation of reasonable recommendations made by Treasurer.

505. WHISTLEBLOWER POLICY

Officers, Directors, staff and contract consultants shall review and sign a "Whistleblower" policy, to be maintained on file, not less than annually in conjunction with the start of the Association's fiscal year.

The Northeast Tennessee Association of REALTORs Code of Ethics requires directors, officers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Association, we must practice honesty and integrity in fulfilling our responsibilities to comply with all applicable laws and regulations.

Reporting Responsibility

It is the responsibility of all directors, officers, and employees to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Policy.

Retaliation

No director, officer or employee who in good faith reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to disciplinary action up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the Association prior to seeking resolution outside the Association.

Reporting Violations

The Association has an open-door policy and suggests that individuals share their questions, concerns, suggestions or complaints with either the Chief Executive Officer, President, and/or any member of the Board of Directors. Both the Chief Executive Officer and any member of the Board of Directors are required to report suspected violations to the President who has the responsibility to investigate all alleged violations. Should the President and Chief Executive Officer be implicated, it will then become the responsibility of the President-elect to conduct the investigation.

506. FINANCIAL TRANSPARENCY POLICY

Northeast Tennessee Association of REALTORs® provides its Mission Statement and information concerning membership activities on its website.

The Chief Executive Officer prepares the financial reports and the Treasurer presents the report to the Directors monthly. The Board of Directors reviews the reports and file the reports for audit. An independent outside auditor reviews, approves, and ensures financial statements are complete and accurate. Reports are available upon request to members and to the public as required by law. Requests for inspection must be in writing and must include name and address of organization requesting information. Copies of items requested will be provided at .30 per page.

507. PRIVACY POLICY

Protecting your private information is our priority. This Statement of Privacy applies to https://netar.us and Northeast Tennessee Association of REALTORS® and governs data collection and usage. By becoming a member of the Northeast Tennessee Association of REALTORS®, you authorize NETAR (Northeast Tennessee Association of REALTORS®) to opt you into any communication method that is utilized to enhance the member experience. This includes but is not limited to: Constant Contact, Email, Phone and Text Messages. For the purposes of this Privacy Policy, unless otherwise noted, all references to Northeast Tennessee Association of REALTORS® include https://netar.us and NETAR. The NETAR website is a News and Information / Member Association site. By using the NETAR website, you consent to the data practices described in this statement.

Collection of your Personal Information

In order to better provide you with products and services offered on our Site, NETAR may collect personally identifiable information, such as your:

- First and Last Name
- Mailing Address
- E-mail Address
- Phone Number

We do not collect any personal information about you unless you voluntarily provide it to us. However, you may be required to provide certain personal information to us when you elect to use certain products or services available on the Site. These may include: (a) registering for an account on our Site; (b) entering a sweepstakes or contest sponsored by us or one of our partners; (c) signing up for special offers from selected third parties; (d) sending us an email message; (e) submitting your credit card or other payment information when ordering and purchasing products and services on our Site. To wit, we will use your information for, but not limited to, communicating with you in relation to services and/or products you have requested from us. We also may gather additional personal or non-personal information in the future.

Use of your Personal Information

NETAR collects and uses your personal information to operate its website(s) and deliver the services you have requested.

NETAR may also use your personally identifiable information to inform you of other products or services available from NETAR and its affiliates.

Sharing Information with Third Parties

NETAR does not sell, rent or lease its customer lists to third parties.

NETAR may share data with trusted partners to help perform statistical analysis, send you email or postal mail, provide customer support, or arrange for deliveries. All such third parties are prohibited from using your personal information except to provide these services to NETAR, and they are required to maintain the confidentiality of your information.

NETAR may disclose your personal information, without notice, if required to do so by law or in the good faith belief that such action is necessary to: (a) conform to the edicts of the law or comply with legal process served on NETAR or the site; (b) protect and defend the rights or property of NETAR; and/or (c) act under exigent circumstances to protect the personal safety of users of NETAR, or the public.

Tracking User Behavior

NETAR may keep track of the websites and pages our users visit within NETAR, in order to determine what NETAR services are the most popular. This data is used to deliver customized content and advertising within NETAR to customers whose behavior indicates that they are interested in a particular subject area.

Automatically Collected Information

Information about your computer hardware and software may be automatically collected by NETAR. This information can include: your IP address, browser type, domain names, access times and referring website addresses. This information is used for the operation of the service, to maintain quality of the service, and to provide general statistics regarding use of the NETAR website.

Use of Cookies

The NETAR website may use "cookies" to help you personalize your online experience. A cookie is a text file that is placed on your hard disk by a web page server. Cookies cannot be used to run programs or deliver viruses to your computer. Cookies are uniquely assigned to you and can only be read by a web server in the domain that issued the cookie to you.

One of the primary purposes of cookies is to provide a convenience feature to save you time. The purpose of a cookie is to tell the Web server that you have returned to a specific page. For example, if you personalize NETAR pages, or register with NETAR site or services, a cookie helps NETAR to recall your specific information on subsequent visits. This simplifies the process of recording your personal information, such as billing addresses, shipping addresses, and so on. When you return to the same NETAR website, the information you previously provided can be retrieved, so you can easily use the NETAR features that you customized.

You have the ability to accept or decline cookies. Most Web browsers automatically accept cookies, but you can usually modify your browser setting to decline cookies if you prefer. If you choose to decline cookies, you may not be able to fully experience the interactive features of the NETAR services or websites you visit.

Links

This website contains links to other sites. Please be aware that we are not responsible for the content or privacy practices of such other sites. We encourage our users to be aware when they leave our site and to read the privacy statements of any other site that collects personally identifiable information.

Security of your Personal Information

NETAR secures your personal information from unauthorized access, use, or disclosure. NETAR uses the following methods for this purpose:

- SSL Protocol

When personal information (such as a credit card number) is transmitted to other websites, it is protected through the use of encryption, such as the Secure Sockets Layer (SSL) protocol.

We strive to take appropriate security measures to protect against unauthorized access to or alteration of your personal information. Unfortunately, no data transmission over the Internet or any wireless network can be guaranteed to be 100% secure. As a result, while we strive to protect your personal information, you acknowledge that: (a) there are security and privacy limitations inherent to the Internet which are beyond our control; and (b) security, integrity, and privacy of any and all information and data exchanged between you and us through this Site cannot be guaranteed.

Children Under Thirteen

NETAR does not knowingly collect personally identifiable information from children under the age of thirteen. If you are under the age of thirteen, you must ask your parent or guardian for permission to use this website.

E-mail Communications

From time to time, NETAR may contact you via email for the purpose of providing announcements, promotional offers, alerts, confirmations, surveys, and/or other general communication. In order to improve our Services, we may receive a notification when you open an email from NETAR or click on a link therein.

If you would like to stop receiving marketing or promotional communications via email from NETAR, you may opt out of such communications by netar@netar.us.

Video / Photo Use Policy

The Northeast Tennessee Association of REALTORS® (NETAR) will be conducting video recording and/or still photography of meetings, sessions, and events during the year for use in connection with future educational, promotional, marketing activities, and social media of the association. Your participation in NETAR events constitutes your consent to be photographed and audio recorded, and to all uses of the images and recordings so created.

Changes to this Statement

NETAR reserves the right to change this Privacy Policy from time to time. We will notify you about significant changes in the way we treat personal information by sending a notice to the primary email address specified in your account, by placing a prominent notice on our site, and/or by updating any privacy information on this page. Your continued use of the Site and/or Services available through this Site after such modifications will constitute your: (a) acknowledgment of the modified Privacy Policy; and (b) agreement to abide and be bound by that Policy.

508. CHARITABLE GIVING POLICY

NETAR Charitable Giving:

All charitable giving activities planned for by a NETAR Committee or Task Force must be deemed appropriate by the Chief Executive Officer and approved by the Board of Directors.

Outside Charitable Giving Requests:

All charitable donations requests must be reviewed by the Budget and Finance Committee prior to moving to the Board of Directors for consideration. When charitable organizations contact the Association office, staff should inform the charitable organizations requesting donations that NETAR is a not- for- profit organization and does not regularly make donations. If a charitable organization requests a charitable donation directly from an Officer, Director or volunteer, the request should be forwarded to the CEO, to gather appropriate information for submission to the Budget and Finance Committee for review.

509. BEREAVEMENT POLICY

Staff is authorized to donate up to $75.00 to honor a member, member spouse and children, and or others as deemed necessary by the CEO. Other requests will be directed to the budget committee and approved by the Board of Directors.

510. LETTERHEAD POLICY

Use of NETAR letterhead should be approved in advance by the Chief Executive Officer and/or President. Content should be reviewed and approved in the same manner prior to distribution.

511. OUTSIDE VENDOR CONTRACTUAL AGREEMENT POLICY

Prior to obligating NETAR to an outside vendor contract agreement, the Chief Executive Officer must be made aware of pending and/or potential arrangements so that proper information can be exchanged between the parties. NETAR should be named as the contracting party and NETAR contact information should be on all contracts. NETAR should be provided with all outside vendor contracts.

512. USE OF A PARLIAMENTARIAN

The Parliamentarian is a consultant who advises the President and other officers, committees and members on matters of parliamentary procedure. The Parliamentarian's role during a meeting is purely an advisory and consultative one - since parliamentary law gives to the Chair alone the power to rule on questions of order or to answer parliamentary inquiries.

DUTIES: The President, knowing in advance the business to come before the assembly, should confer with the Parliamentarian before a meeting opens, and during any recesses, to anticipate any problems that may arise and to avoid frequent consultation during the meeting.
During a meeting the work of the Parliamentarian should be limited to giving advice to the Chair and when, requested, to any other member.

It is also the duty of the Parliamentarian, as inconspicuously as possible, to call attention of the Chair to any error in the proceedings that may affect the rights of any member or may otherwise be inappropriate. Only on the most involved matters should the Parliamentarian actually be called upon to speak.
The Parliamentarian should be assigned a seat near the Chair in the event consultation is necessary.
After the Parliamentarian has expressed an opinion on a point, the Chair has the duty to make the final ruling, and in doing so, has the right to follow the advice of the Parliamentarian, or to disregard it.

513. USE OF LEGAL COUNSEL

The Board of Directors will engage legal counsel for the association and only the Board of Directors may terminate such legal counsel. Requests for advice of such legal counsel shall only be made through the President and/or Chief Executive Officer.

514. USE OF A CERTIFIED PUBLIC ACCOUNTANT

The Board of Directors, upon recommendation of the Chief Executive Officer and the Budget and Finance Committee will appoint a CPA to prepare the annual corporate tax return and audit.

515. DIVERSITY AND FAIR HOUSING POLICY

The Northeast Tennessee Assn. Of REALTORS® actively promotes and supports an industry and work environment which promotes social justice, mutual respect, understanding, civility and non-violence. NETAR is committed to providing equal professional service without regard to the race, color, religion, sex, handicap, familial status, national origin or sexual orientation of any existing or prospective member. Further, NETAR will actively promote a culturally diverse real estate environment in the Northeast Tennessee area, by:

1. Promoting fair housing "best practices" and training for members.
2. Promoting fair housing to the public through building appropriate coalitions and other activities.
3. By working with NAR and TR, in developing and advocating fair housing policy.
4. Encouraging the increase of diversity in the real estate workplace that is reflective of the communities NETAR members work in and serve.
5. Expanding diversity in Association leadership.

516. LEADERSHIP COMMUNICATIONS POLICY

In the course of a volunteer leader's activities with the Northeast Tennessee Association of REALTORS®, members and/or media may contact them with questions, complaints, comments or concerns, related to the Association. In order to most effectively respond, all such inquiries should be handled as follows:

1. Initial inquiry will be referred to the CEO for action/resolution.
2. The President or CEO should be the only one responding. Such response should:
   a. acknowledge the inquiry, noting that it has been forwarded to NETAR staff for investigation and response.
   b. thank them and be neutral in tone.
3. Upon investigation and resolution, the CEO will notify all parties who were included in the initial communications of the status of resolution.

517. SMOKING POLICY

It is the policy of the Association that smoking of any kind will not be allowed in the Association offices. Smoking is permitted outside in the covered areas. Smokers are asked to dispose of their cigarette butts in an appropriate manner.

518. SPECIAL EVENTS POLICY

The Northeast Tennessee Association of REALTORS® has created policies in order to facilitate the successful planning and execution of NETAR special events.

Various Committees and Task Forces have general planning oversight for special events within their specified area. Their focus should be on developing themes, identifying speakers (if applicable), soliciting sponsors and actively promoting attendance at the events. The CEO and/or staff is responsible for execution of the event, including budgeting, timing, site and food selection, venue and vendor contracts, and those items noted below.

Budgeting

The staff is responsible for overseeing the event budgeting process. As such, staff is to work closely with the Committee or Task Force planning the event to ensure they are familiar with its budget. All Committee or Task Force members must endeavor to keep expenditures in line with planned revenues throughout the process. For example, ticket pricing should be based upon the combined per person cost of the venue, meals and beverages, staff time (if appropriate), speakers, etc. Add-on items, such as decorations, flowers, give-away gifts, upgrades on the base items above, etc. should be secured after sponsorships for those items have been firmly secured by the Committee or Task Force members.

Insurance

As a part of its general liability insurance policy, NETAR has off-site event coverage for special events. Should revenue protection insurance be desired, it will need to be planned for and purchased separately.

Contracts

Any event requiring contracts related to securing a venue, venue event orders or banquet event orders, must be planned and executed by the staff. All contracts must be reviewed by the CEO before signing. Any contracts related to special events must be in conformance with approved policy (see financial policies).

Reporting

The Committee or Task Force Chair and assigned staff are required to report the status of major action items 90 days, 60 days, 30 days, and 1 week out from the event to the CEO. This report should include notice on any budgetary overruns and/or failure to meet any major benchmarks by the planned completion dates.

Sponsorships and Ticket Sales

The ability to raise sponsorships and sell tickets is highly critical to the success of any special event. The budgeting and expenditure of expenses is driven by these two factors; therefore, it is important to set realistic sponsorship and ticket sales goals, with specific time frames for obtaining them. Alternative strategies should be generated if these goals are not met by the planned time frames.

To ensure the event's success, sponsorships and ticket sales should be collected prior to all events, unless ticket sales are planned to occur at the door. All promotional deadlines for sponsorships and ticket sales should be clearly indicated to facilitate on-time payments.

If the event has not achieved 60% of budgeted ticket sales and sponsorships at least 14 days prior to the event, staff will notify the Committee or Task Force Chair, CEO and Association President. Plans to secure additional sponsorships or a reduction in expenditures should be discussed.

Any attendees who have unpaid balances from past events, must pay those balances prior to committing to new sponsorships and/or purchasing event tickets.

Cancellation of Event
There may be times when the cancellation of a special event needs to be considered (e.g., due to poor ticket sales, natural or other disasters, key speaker cancellations, etc.). In the event that a cancellation is considered, both the "human" factor and the "financial" factor need to be weighed in the ultimate decision to cancel an event.

Should it be deemed necessary to consider the cancellation of any special event, the President and CEO are jointly authorized to make the decision, after consultation with the Chair of the Committee or Task Force which has organized the special event.

If it is determined that the special event is to be cancelled, any and all steps should be taken to mitigate any financial or other loss to NETAR.

519. CEO ABSENCE/SUCCESSION PLAN
As a strategic initiative, this plan is designed to establish a CEO absence/succession plan which provides for seamless, continuing, operation of NETAR and its affiliated entities, with three distinct scenarios:

1. Temporary absence of CEO – up to 1 month
2. Extended temporary absence of CEO - in excess of 1 month
3. Permanent absence of CEO – a new CEO is to be identified and hired

CEO Absence - SCENARIO 1
This scenario assumes a temporary absence of the CEO, up to 1 month, due to industry commitments and/or meetings, illness, vacation, personal leave, etc. This is most typical form of CEO absence.

1. Each of the staff continues to have oversight and direct decision-making within their respective functional areas.
2. When possible, the CEO will meet ahead of time with the appropriate staff to assign additional duties during her temporary absence.
3. The POSITION TITLE will provide administrative support for the NETAR Board of Directors and Executive Committee, as directed by the CEO.

CEO Absence - SCENARIO 2
This scenario assumes an extended, temporary absence of the CEO, in excess of 1 month. A further assumption is that the CEO is unavailable for regular contact and consultation during this time frame. After 60 days, the Board of Directors will be consulted on an acceptable length of this temporary absence, which is dependent upon the specific circumstances of the absence.

1. POSITION would assume the title of "Interim CEO" with the accompanying responsibilities and authority. She/he would use good judgment in delegating duties within the functional area of the CEO to appropriate staff during the CEO's absence. She/he would report directly to the Board of Directors and be accountable to them.

2. When possible, the CEO will meet ahead of time with the appropriate staff to assign additional duties during her/his extended, temporary absence.

3. Each of the staff continues to have direct oversight and direct decision-making within their respective areas of responsibility.

4. The POSITION TITLE will provide administrative support for the NETAR Board of Directors and Executive Committee, as directed by the CEO.

CEO Succession - SCENARIO 3
This scenario assumes a new CEO needs to be recruited and hired.

1. If the CEO is available for a specified period of time, she/he would continue in her/his current capacity and will assist the Board of Directors with the recruitment and hiring of a new CEO.

2. If the If the CEO is not available, the staff would operate under the direction of the "Interim CEO" as outlined in Scenario 2, until a new CEO is recruited and hired. The Interim CEO would assist the Board of Directors with the administrative aspects of identification and hiring of a new CEO. A temporary adjustment in salary (or a bonus) in accordance with newly assumed duties and market rate and should be determined by the Board of Directors for the "Interim CEO." Other temporary salary adjustments may be considered by the Board for other staff taking over key portions of the CEO's regular duties and responsibilities.

Recruitment
It is recommended that NETAR utilize the services of a recruiting consultant who specializes in Association Management Executive recruitment, and/or specific REALTOR® Association Management recruitment.

Recruitment Plan
The purpose of the plan is to keep the search focused on key areas, such as the strategic direction of the Association, position competencies and executive attributes, budget and timeline to ensure the best candidate is hired within NETAR's resources.

A Search Committee should be established and plays a key role in the recruitment process. The Executive Committee will appoint the Search Committee, which will be comprised of 7 REALTORS® members including: The Chair (often a recent Past President), the 3 Officers, and 3 Directors, selected by the President.

The roles and level of involvement of the committee should be determined at the beginning of the process. The CEO and/or Interim CEO would act as the liaison for the committee. Suggested responsibilities would be to:

1. Receive direction from the Board of Directors on the future direction of the Association and key desired attributes and qualifications of the new CEO;
2. Determine the budget for the search;
3. Develop a recruiting plan and timeline;
4. Select and work with the recruiting consultant;
5. Review the position description and determine position competencies;
6. Determine a competitive compensation package;
7. Develop interview questions and establish interview format;
8. Interview top candidates;
9. Recommend the top candidate to the BOD for approval;
10. Negotiate a compensation package, employment agreement terms and start date;

In addition to assisting the Search Committee with the above, the recruiting consultant would be responsible for:

1. Review the current position description for revision, along with compensation and benefits;
2. Write the advertisement and post on appropriate job boards;
3. Contact peers within the field to identify potential candidates;
4. Source resumes;
5. Conduct initial phone interviews;
6. Do background screening;
7. Conduct reference checks;
8. Prepare candidates for formal interview process;
9. Guide the interview process and aid the Search Committee's discussions;
10. Conduct final debrief with Search Committee.

Internal Candidates

It is not uncommon for an internal candidate(s) to arise. It is critical that both the Board of Directors, the Search Committee and anyone involved in the recruitment and selection process remain neutral. They cannot act on behalf of, or in opposition to, any internal candidate. It must be clearly communicated with the staff candidate that the same criteria and expectations imposed upon external candidates will apply to them, as well.

Transition Realities

For the well-being of the organization, it is critical that the volunteer leadership allow the new CEO sufficient time to analyze the organization's systems, finances, structures and human resources, as well as the culture of the volunteer leadership and relations with TR and NAR. As such, the Executive Committee should work closely with the new CEO over the course of a year's time frame (one full cycle within the Association), to ensure that expectations are clearly established at the time of hire and to hold a formal evaluation at the end of the first six months and one year of service.

Volunteer leadership can expect uncertainties among staff as they interact with the new CEO. This is normal and leadership should expect that there to be some tension initially. It is recommended that volunteer leaders do not interject themselves into day-to-day management decisions, allowing the new CEO to make personnel decisions that he/she believe best serve the organization. Again, leadership should be neutral in this capacity.

520. OPERATIONS CONTINUITY PLAN

PURPOSE: The purpose of this plan is to prepare our Association Office and Employees for a potential infectious disease outbreak, epidemic or pandemic.

The objective of this plan is: (a) reducing transmission among NETAR staff and members they are exposed to, (b) protecting people who are at a higher risk for adverse health complications, and (c) maintaining necessary business operations.

GUIDANCE FOR THE WORKPLACE

The following guidance may help prevent workplace exposures to illnesses. It also provides planning considerations if there are more widespread, community outbreaks, or pandemics such as the COVID-19. Some processes may change depending on the remote work situation. It is recommended that to the extent possible, mitigation strategies from the CDC be followed.

RECOMMENDED PREVENTION STRATEGIES TO USE IN THE WORKPLACE

- Staff members who have symptoms of acute respiratory illness, signs of a fever and any other symptoms of infectious illness should not come to work. If symptoms occur at work, staff member should be sent home.
- Staff should always practice proper hygiene. Serious respiratory illnesses like influenza, respiratory syncytial virus (RSV), whooping cough, and severe acute respiratory syndrome (SARS) are spread by: Coughing or sneezing and unclean hands.
- All staff members should wash their hands often with soap and water for at least 20 seconds. If soap and water are unavailable, use the provided alcohol-based hand sanitizer to clean hands. Regular handwashing, particularly before and after certain activities, is one of the best ways to remove germs, avoid getting sick, and prevent the spread of germs to others.
- Routinely clean all frequently touched surfaces in the workplace, such as workstations, phones, desktops, computers, keyboards & mouse, and doorknobs. Use the cleaning agents that are recommended in these areas and follow the directions on the label.
- Office should have on hand and available at all times: Disinfecting Wipes, Disinfecting Spray, Tissues, Hand Sanitizer, Hand Soap, Paper Towels, Rubber Gloves and Normal Cleaning Supplies
- Staff members who are well but who have a sick family member at home with COVID-19 or any transmittable disease should not come to work.
- In the event of a widespread communicable disease, staff who directly deal with members should avoid taking items directly from them unless protective gloves are worn.
- Non-employees & members should call before coming into the office to determine if the business can be conducted remotely or if an in-office appointment is necessary.
- If an employee of NETAR or a visitor to the office communicates their diagnosis or direct exposure to a person with COVID-19, Influenza or any infectious illness, it will likely be necessary to vacate the office space in order to have a sufficient cleaning prior to occupancy. Chief Executive Officer will make this determination.
- If an infection event occurs which necessitates professional remediation, Chief Executive Officer will determine the date available to reopen the office and will communicate such to staff and members.

FURTHER ACTION STEPS IF NECESSARY

Step 1: Cancelling all in person Association meetings and postponing events until situation improves.

Factors that would initiate this step:

1. Governmental agencies request to limit exposure and gatherings
2. State of Emergency declared

Actions:

A. Approval from Chief Executive Officer for cancellations/rescheduling

B. Send email to membership and/or appropriate groups about cancellations

C. Post information on Facebook

D. Conduct essential meetings through Zoom

E. Follow guidelines from proper authorities such as local, state or national governments and for the Centers for Disease Control (CDC)

Step 2: Re-evaluate the situation and response weekly

Step 3: If situation continues to deteriorate, further steps will need to be enacted. Deteriorate meaning recommendations from the state or federal government that, in the best interest of our members and employees, guidelines are stricter, and recommendations are made that we need to follow to protect members and staff from exposure and assist in the containment of the spread of COVID-19 or other serious infectious disease.

Step 4: To preserve the ability for staff to continue to operate the association with limited exposure to we or others, the office will operate in lock down mode.

Factors that would initiate lockdown (Not all need to be present to initiate this step):

1. Governmental agencies or the CDC recommendations
2. Confirmed Case(s) of highly infectious disease reported in Northeast Tennessee

Actions:

A. Staff will continue to come to work at the office

B. Send email to all membership about current office procedures

C. Post on Facebook to explain the current office procedures

D. Sign on the door explaining the office procedures that are in place and that need to be followed

E. Message on office voice mail explaining what the office procedures will be at this time

F. Entrance into the building will be limited to staff and President ONLY

G. Staff will continue to provide members service through continuing to answer phone calls and emails per usual.

Step 5: This is the highest level of precautions (Isolation) and it will be working from home for those that can do so and in isolation for those in the office Factors that would initiate working from home:

1. Governmental agencies or the CDC make the recommendation for people to work from home
2. The number of cases in our area grows
3. Staff member has symptoms, is sick or has relative they care for that is sick or symptomatic

Actions:

A. Non-affected staff person may continue to work at office

B. If office is not staffed, phone calls will be forwarded to staff as outlined in the Remote Work technology section

C. An email will be sent out to the membership to inform them of the current operational status of the association

D. A sign will be placed on the door explaining the current office procedures that need to be followed

E. Staff will continue to provide members service through "no contact" by continuing to answer phone calls and emails per normal operating procedures. We will then process the request. When member is nearing the association office, they can call, and we can place the product outside the door, thus initiating the no contact level of service.

Step 6: This is when it is dictated to us to shut down and everyone is in a mandatory "Shelter in Place" situation.

Factors that would initiate staff working from home:

1. Governmental agencies or the CDC require everyone to "Shelter in Place."
2. Staff members are sick, have been exposed to virus or have family members who are sick or have been exposed

Actions:

A. All staff will work from home via Remote Work/Telecommuting as outlined below

REMOTE WORK/TELECOMMUTING

NETAR defines Remote Work as working from any location other than an established NETAR office. Eligibility for Remote Work is determined by the Chief Executive Officer. If it becomes necessary for employees to work remotely, the following guidelines apply:

REMOTE WORK TECHNOLOGY

NETAR has established capability to work remotely as indicated below. Office phone calls can be forwarded when staff is working remotely. Calls will be forwarded during normal business hours to staff cells on a scheduled established rotation. If hours for accepting calls deviate from normal business hours, notification will be sent to all members.

To Access Office Computers Remotely

Staff has secure remote access to their office computer. (set up and managed by Pointech) Access has been established through each staff member's home computer.

PAY FOR REMOTE WORK

To be eligible for work pay (non-sick leave pay)

Employees are expected to complete their standard number of hours and tasks while working remotely. Employees are not expected to work longer hours than they would normally but are expected to complete a full day unless modified hours are previously approved by the Chief Executive Officer. Any additional work hours for part-time employees must have prior approval from Chief Executive Officer. Unless ill or using sick leave, employees are expected to maintain the same level of productivity and availability while working remote as they would if present in the office.

Expenses Due to the limited nature of Remote Work at NETAR, there is normally no reimbursement for any expenses such as internet, meals or equipment that are used in fulfillment of the Employee's duties while working remotely. Any exceptions must be approved by Chief Executive Officer.

Miscellaneous

The security of all NETAR property, whether equipment, data or documents, is the sole responsibility of the staff member when they are working remotely or transporting same. Staff is expected to make every reasonable effort to ensure the security of all NETAR property while in their possession. The option to work remotely can be terminated/denied/suspended at any time by the Chief Executive Officer or Association Board of Directors if any NETAR policies are deemed violated or a detrimental effect on office production is noted.

For purposes of communicating office closing, return to work times, etc. to members, message will be sent via email. Additionally, it will be posted the Association's Facebook page.

SECTION 6: ACKNOWLEDGEMENTS

601. VOLUNTEER MEMBER ACKNOWLEDGMENT

I have received and read a copy of the Association's policy handbook. I understand that this handbook is a statement of policies and is not an express or implied contract of employment. In consideration of my employment, I agree to conform to the rules and regulations of the Northeast Tennessee Association of REALTORS®, and my employment and compensation can be terminated with or without cause, and with or without notice, at any time, at the option of either the Association or myself. I understand that no one other than the Chief Executive Officer of the Association has any authority to alter this relationship, and I may not interpret any such person's remarks as a guarantee of continued employment.

THIS POLICY AND PROCEDURES MANUAL ADOPTED BY THE BOARD OF DIRECTORS OF THE NORTHEAST TENNESSEE ASSOCIATION OF REALTORS®

THIS THE _____DAY OF_____, 20____.

_____
Signature

_____
Printed Name

602. CONFIDENTIALITY ACKNOWLEDGEMENT

Members of the Board of Directors and staff employees of NETAR carry certain duties and responsibilities for the benefit of the organization. This Confidentiality Policy outlines some of those duties and responsibilities in accordance with the Articles of Incorporation, Bylaws and Policy Manual of NETAR (the "Governing Documents").

Board Members and staff employees will have access to Confidential Information that if furnished or made accessible to any non-board member or used in any unauthorized manner could be damaging to NETAR and its members and could result in NETAR being involved as a party litigant in expensive and protracted litigation resulting in significant monetary damages assessed against NETAR. Information provided to the Board and staff employees which shall be considered confidential ("Confidential Information") shall include personnel, financial, contractual and membership matters and matters of a legal nature. This information shall be confidential and shall be used only for the purpose of decision making and in the governance of NETAR. Confidential Information shall be held in the strictest of confidence and no member of the Board of Directors shall, without the prior written consent of the Board Chairman or Executive Director of NETAR: (i) divulge, furnish or make accessible to any person, including any member of NETAR, or use in any manner any of the Confidential Information except as necessary for the resolution of governance issues and the decision making process of NETAR's Board of Directors; (ii) take any action which might reasonably or foreseeably be expected to compromise the confidentiality of the Confidential Information; or (iii) fail to follow the reasonable suggestions made by the officers and directors of NETAR, from time to time, regarding the confidentiality and proprietary nature of the Confidential Information.

Violations of the Confidentiality Policy may result in disciplinary action. Disciplinary action may include removal of a member from the Board of Directors and as an officer of NETAR and termination of employment of a staff employee.

I acknowledge that I have received and read a copy of this Confidentiality Policy and that I am responsible for complying with its provisions

_____ _____

Date Signature

_____

Printed Name

603. CONFLICT OF INTEREST ACKNOWLEDGEMENT

Members of the Board of Directors and staff employees of NETAR perform certain duties and responsibilities for the benefit of the organization. In performing these duties and responsibilities, the Board has adopted the following policies and procedures with respect to potential or actual conflicts of interest involving directors:

POLICY

Directors owe certain fiduciary duties to NETAR, including the duties of loyalty, diligence and confidentiality, which require that directors act in good faith on behalf of NETAR in exercising the powers conferred to them by NETAR in NETAR and its member's best interests and not for the interest of directors or third parties.

DISCLOSURE

A director shall promptly disclose to the Board any personal or outside interests, relationships or responsibilities (financial, professional or otherwise) held by the director with respect to any potential or actual transaction, agreement or other activity being considered by the Board which may result in a potential or actual conflict of interest, even if such matter has otherwise been disclosed to NETAR or the Board.

BOARD ACTION

For any potential or actual conflict, the Board, with the abstention of the interested director, shall decide whether such director may participate in any reporting, discussion or vote on the issue which created the potential or actual conflict. The General Counsel of the Board shall direct the Secretary to withhold from such director any information on the conflict issue from materials distributed to Board members and take all such other necessary action necessary to effectuate this policy.

RECUSAL

Any director with an interest, relationship or responsibility which conflicts with the interest of the NETAR or its members, shall recuse himself or herself from any reporting, discussion or vote on the issue that created the conflict and, if necessary, from the Board meeting, or applicable part thereof.

RESIGNATION

In circumstances where a director has a significant, ongoing and irreconcilable conflict, and where personal or outside interests, relationships or responsibilities significantly impedes the director's ability to carry out his or her fiduciary responsibility to NETAR, resignation from the Board or termination of the conflicting interest may be appropriate and/or required.

_____ _____

Date Signature

_____

Printed Name

604. ANTI-TRUST ACKNOWLEDGEMENT

In antitrust cases, whether criminal prosecutions or civil treble damage suits, proof against the defendant is most likely to come from the defendant or his associates. Thus, an antitrust compliance program must not only avoid actual violations of antitrust laws, but also avoid creating or permitting the creation of files, records, documents, statements or conversations which might create an appearance of a violation. It is impossible, of course, to formulate a set of guidelines to cover all situations at all times, but insofar as the principles of antitrust compliance can be stated in specific rules, members are well advised to abide by the following rules:

Do not discuss business matters with competitors outside of your real estate firm.

At any time, in any place, or under any circumstances, do not have any personal, telephone or e-mail conversations with competitors concerning commissions, fees, charges or any other business practices of your real estate business or those of your firm with which you are associated. At associations or board meetings, confine discussions to topics of association or board business directly involved in the purpose of the organization and the meeting.

Written communication must be clear and explicit.

When you discuss a real estate transaction or the superiority of your business practices over your business competitors, talk only to your broker or associates in the firm with which you are associated. Regardless of how carefully you may phrase your letter or memorandum, things look much different in writing than they sound when spoken between knowledgeable people. Of course, financial and economic data sometimes must be written, but in many instances, any information relevant to business or legal relations can be communicated by talking and talking only to those who have a legitimate justification for receiving the information you are transmitting. More than one antitrust defendant has had his letter, correspondence, memoranda and written notes admitted in evidence against him for purposes for which the writer never intended.

Do not talk unless you know who you're talking to and what you're talking about.

In any business, complete candor among trusted business associates is necessary. It is not necessary, however, to tell everyone your business. Inform only those who need to know such matters as how and in what manner commission or fee contracts were negotiated, how much business you're doing, what your business prospects are, how many and which properties you have sold, and anything else which might be of interest to someone investigating your business for a reason you know nothing about. If you receive a telephone call from anyone who refuses to identify himself or herself or who begins what amounts to a probing cross-examination about your business practices, terminate the conversation as quickly and courteously as possible. With ever-improved recording devices, it is well to make it a rule in discussing business matters to speak as if you were being recorded.

Do not deceive yourself or let anyone else deceive you into believing that any transgression of the antitrust laws has little risk involved.

The federal government possesses extensive investigatory powers, such as grand juries and civil investigation subpoena, as well as ingenious and dedicated investigators. Also, in private litigation, parties have litigation discovery tools to examine corporate or firm records and documents and to compel testimony. Even though an antitrust violator may not keep records, its competitors or the injured parties may. Unexpected records such as telephone bills, expense accounts, a secretary's notes, engagement calendars or a forgotten written report may be uncovered. Also, your computer's hard drive may be the source of potential information even when you think the information has been erased.

Do not use such terms as "Please Destroy When Read", "For Your Eves Only", "No Copies" or similar terms and phrases.

Experience has demonstrated that even if no copies are made, the original of such documents eventually end up in somebody's file. Even when marked "personal and confidential", the document is usually retained by the recipient and eventually filed. When an antitrust investigation is under way or documents are produced on a civil investigative demand or in private antitrust litigation, such terms and phrases are red flags for the investigator or opposing counsel.

Do not at any time use any of the words and phrases which NETAR designates as dangerous.

Since such statements are so dangerous, they need to be emphasized here along with some other similar words and phrases:

- "We would like to charge a lower commission, but the board has a rule..."
- "This is the rate that all REALTORS® charge."
- "The MLS will not accept a listing for less than 120 days."
- "Before you list with XYZ Realty, you should know that nobody is going to work on their listings."
- "If John Doe is really professional (or ethical) he would have joined the board."
- "The board requires that all REALTORS® force their salespeople to join."
- "The best way to deal with John Doe is to boycott him.", or "We don't worry about John Doe; we just don't show his listings."
- "If you valued your services as a professional, you wouldn't cut your commissions."
- "If X is going to cut his commissions, we'll just pay him less on splits."
- "No board member will accept a listing for less than 90 days."
- "X is the going rate in this area."
- "We have agreed that any commission below X is unfair."
- "Something has got to be done about that company; nobody can charge such a low commission and make a living."
- "That price-cutter has no business being a member of the board."
- "You will not get a lower commission from a REALTOR®."

If in doubt, consult.

No compliance program or manual can spell out all of the answers to questions which may arise. Situations are bound to arise which create doubt. If you do have doubts about the legal wisdom of any board or business practice, procedure or activity, consult your board executive officer, the broker under whose license you work or legal counsel knowledgeable about antitrust matters.

Without clearance: Don't Do It.

If neither the board executive officer, an executive officer of your firm or legal counsel will give clearance to a proposed business deal or activity with antitrust implications—don't do it.

Under NETAR's policy, antitrust compliance is not a choice, it is a command. The risks are too high for any real estate broker to remain part of an organization which fails to enforce its antitrust compliance program. Lawyers can help with designating compliance guidelines or advising on antitrust compliance matters when they arise, but in the final analysis it will be NETAR and its NETAR Directors, MLS Directors and proxy holders, Professional Standard Committees and Membership Committees who will have to act as the first line of defense against the costs and consequences inherent in failure of antitrust compliance.

However, it remains the responsibility of every member of NETAR to support and implement this Antitrust Compliance Program and demonstrate that REALTORS® are true to that which they profess to believe, the free enterprise system is the best ever devised to secure our economic and personal freedom.

_____ _____

Date Signature

_____

Printed Name

605. FRAUD ACTION PLAN POLICY

1. NETAR shall be committed to creating and maintaining a culture of honesty and high ethics. This shall be accomplished by the following:

   NETAR staff shall be committed to setting an example for ethical behavior.

   NETAR staff and Board of Directors shall work to create and maintain a positive workplace environment.
   - All employees shall follow policies that enhance a culture of honesty and high ethics.
   - NETAR will make a commitment to the training of employees in the area of ethics.
   - Appropriate and consistent discipline shall be taken after a thorough investigation of an incident of ethical violation.

2. NETAR shall periodically evaluate and improve anti-fraud processes and controls. This shall be accomplished by the following:
   - Adoption of a set of purchasing policies and procedures.
   - Periodic assessment of Commercial Crime Policy.
   - Periodic evaluation of procedures used to handle financial transactions.
   - Implementation of appropriate steps to mitigate identified risks.
   - Periodic evaluation of NETAR's personnel policies and procedures which guide employee ethical behavior.

3. NETAR shall continually develop and utilize an appropriate oversight process including, but not limited to the following:
   - Notification to all employees that instances where fraudulent activity is detected or suspected shall be reported to either the Chief Executive Officer, the President, the Treasurer or the CPA. The Treasurer will report to the Board of Directors. If fraud is detected by the accounting firm the process shall be to inform NETAR legal counsel and appropriate NETAR officer as directed by accounting firm. Chief Executive Officer will be informed if not suspected in potential fraud.
   - Commitment to implementation of reasonable suggestions made by NETAR's auditor.
   - Commitment to implementation of reasonable recommendations made by Treasurer.

_____ _____

Date Signature

_____

Printed Name

606. WHISTLEBLOWER POLICY

The Northeast Tennessee Association of REALTORs Code of Ethics requires directors, officers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Association, we must practice honesty and integrity in fulfilling our responsibilities to comply with all applicable laws and regulations.
Reporting Responsibility

It is the responsibility of all directors, officers, and employees to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Policy.
Retaliation

No director, officer or employee who in good faith reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to disciplinary action up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the Association prior to seeking resolution outside the Association.
Reporting Violations

The Association has an open-door policy and suggests that individuals share their questions, concerns, suggestions or complaints with either the Chief Executive Officer, President, and/or any member of the Board of Directors. Both the Chief Executive Officer and any member of the Board of Directors are required to report suspected violations to the President who has the responsibility to investigate all alleged violations. Should the President and Chief Executive Officer be implicated, it will then become the responsibility of the President-elect to conduct the investigation.

_____ _____

Date Signature

_____

Printed Name