



POLICIES AND PROCEDURES MANUAL

*Effective January 1, 2017
(amended as of October 14, 2016)*

ALABAMA ASSOCIATION OF REALTORS®

522 Washington Avenue
Montgomery, AL 36104

REALTOR® is a registered collective membership mark which identifies real estate professionals who are members of the National Association of REALTORS® and subscribe to its strict Code of Ethics.

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ALABAMA ASSOCIATION OF REALTORS®
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Last amended October 14, 2016

**SECTION 1
STATEMENT OF POLICY**

Section 1.1. Preamble

We, the Members of the Alabama Association of REALTORS® (sometimes hereafter referred to as AAR), represent the professionals active in all phases of the real estate industry. We are dedicated to the preservation of the free enterprise system and the right of the individual to own real property as guaranteed by the Constitution of the United States of America. We offer to the people of Alabama, and to government, our knowledge, our experience, and our dedication to professionalism through continuing education.

Section 1.2. NAR Statement of Policy

We officially adopt and pledge our support to the current statement of policy of the National Association of REALTORS® (sometimes hereafter referred to as NAR).

Section 1.3. Continuing Education

We support the continuation of training and education throughout the professional careers of all Members of our Association, to assure competent and skillful real estate service in the State of Alabama. We continue our support of the concept of making available meaningful and advanced levels of training and education to all of our Members.

Section 1.4. Political Involvement

We believe that political involvement is necessary for the continued support and strength of the free enterprise system. It shall be our goal to look for continual input from our membership in the consideration of candidates, issues, and legislation that affect the real estate business and the free enterprise system. We will also strive to keep our membership informed in all areas of political activity.

Section 1.5. Equal Opportunity

A. In Housing

We affirm our support for equal opportunity in housing, and are dedicated to fulfilling the requirements of fair housing laws. We support Fair Housing Partnerships in accordance with the policy of the National Association of REALTORS® in providing equal professional service to all people.

B. In Employment

The Alabama Association of REALTORS®, Inc. extends employment opportunities and benefits as an equal opportunity employer without regard to race, color, sex, religion, national origin, or other non-work related criteria.

Section 1.6. Ethics and Professional Standards

We strongly support the Code of Ethics and the Standards of Practice for professional conduct of the National Association of REALTORS®. We further interpret this obligation to be to follow the Golden Rule by “doing unto others as we would have them do unto us.”

Section 1.7. Chair of Real Estate

We support continued research on all practical matters pertaining to real estate. We believe the Chair of Real Estate at the University of Alabama will be instrumental in the development and continuance of academic pursuits to bring about a better understanding of real estate matters and their effects on the lives of all citizens of Alabama.

Section 1.8. Real Estate Regulation

We strongly support the Alabama Real Estate License Law and the Alabama Real Estate Commission in seeing that the law is complied with by all licensees of the State of Alabama. It is our desire and intent to keep a strong and viable line of communication open between the Association and the Commission. All changes in the license portion of the law should be discussed between the Alabama Association of REALTORS® staff and the Real Estate Commission staff to determine opinions as to workability and feasibility, and such meetings should be held with the full knowledge and involvement of the Alabama Association of REALTORS® Governmental and Political Affairs Committee Chair. (1/17/90)

We also recognize the great influence Real Estate Commission members have, and suggest that Commissioners who are also State Directors of the Alabama Association of REALTORS® exercise discretion when attending committee and Board of Directors meetings to avoid any actual or perceived undue influence or conflict of interest in Association matters. This could require the Commissioner to state his/her position on an issue and then exit the meeting to avoid unduly influencing the outcome of deliberations.

Section 1.9. Private Property Rights

A. Enjoyment of Rights

Every person should have the right to acquire real property with confidence and certainty that the value of such property will not be unduly diminished or jeopardized by government action at any level without just compensation or the owner's express consent.

B. Affordable Housing

We support the concept of affordable housing and defend the right of Americans to own property free of unreasonable controls. We, therefore, urge elected officials at all levels of government to oppose the adoption of rent control legislation. We believe the continuing demand for rental housing can best be met by private investors willing to take long term capital risks.

C. Highest and Best Use

We believe in the fundamental right of all private property owners, working through local government, to determine the highest and best use of their land.

Section 1.10. Residential Mortgage Financing

We support the development and implementation of additional methods of residential real estate mortgage financing, which are beneficial to all parties to the transaction, to enable more families and individuals to own a home. We believe a top priority of residential financing is to enable the parties to complete a transaction with a minimum of technical problems and time delays. We further believe full, advance disclosure of all terms of financing is necessary to protect the interest of all parties. We also recognize the importance of the issuance of tax-free mortgage revenue bonds as an important source of capital in financing residential housing.

Section 1.11. Legislation

It is a top priority of the Alabama Association of REALTORS® to closely monitor activities in the legislative area, so as to be better able to inform the membership of any such legislation. We will strongly support legislation that promotes the interest of the real estate profession and the free enterprise system. We will vigorously oppose any legislation detrimental to, and adversely affecting, the real estate industry.

Section 1.12. Anti-Trust Law

The Alabama Association of REALTORS® strongly supports competition and an open marketplace in which fees, commissions, and compensation are fully negotiable between the parties to each such agreement. As an Association, we consider adherence to the Federal anti-trust laws as one of the most important duties of Members and officers.

Section 1.13. Anti-Trust Policy

A goal of the Alabama Association of REALTORS® is to improve the level of products and services offered by its

Members to the public and to assist customers and clients in comparison shopping for products and services. Consistent with this policy, the Alabama Association of REALTORS® will comply strictly with anti-trust laws. AAR will not knowingly permit discussions of individual company prices or the related types of sensitive information listed below. Membership is open to any individual or entity meeting the membership qualifications set forth in the Bylaws. Statistical reporting by AAR will be voluntary and will relate to comparisons of past transactions of general interest. Data collection will not be limited to the membership, and the results will be available to non-members for a reasonable fee. The development of any guidelines or standards in which AAR participates will be open to wide participation by affected parties, and adherence to the guidelines or standards will be strictly voluntary. In conducting any collective research, AAR will take care to avoid anti-competitive effects.

AAR will seek the advice of legal counsel to ensure that topics that may give an appearance of an agreement, which would violate anti-trust laws, are not discussed at AAR meetings. In addition, AAR's policy ensures that staff be well-versed in anti-trust matters. The fact that AAR staff or legal counsel is present at a meeting, however, should not invite probing to determine how far a discussion can proceed before it becomes apparent that it is improper and is cut off. It is the responsibility of each Member in the first instance to avoid raising improper subjects for discussion. This policy statement has been prepared to ensure that participants in AAR meetings are aware of this obligation.

The Dos and Don'ts presented below highlight basic anti-trust principles. Members should consult their own counsel in all cases involving specific situations, interpretations, or advice.

A. Don'ts:

1. Do not, in fact or appearance, discuss or exchange information regarding:
 - a. Commission levels, fees, business expenses, or other business information or policies that would allow or encourage price fixing or maintenance;
 - b. Bids on contracts for particular properties or any information that would allow or encourage bid rigging;
 - c. Actions relating to actual or potential competitors that might have the effect of excluding them from your market, or of influencing the business conduct of customers toward such competitors;
 - d. Plans of individual companies concerning proposed or existing territories or customers;
 - e. A firm's competitive business decisions;
 - f. The duration or types of listing agreements or the form of compensation accepted;
 - g. The compensation offered or paid to a firm's agents or employees; or
 - h. Any other actions that might be construed as concerted attempts to restrain competition, including joint attempts to control or affect prices, market conditions, marketing practices, customer choice, etc.
2. Do not discuss or exchange information regarding the above matters during AAR-sponsored meetings or at social gatherings incidental to AAR meetings, even in jest.
3. Do not discuss among competitors at organized functions or otherwise any general historical statistical data collected by AAR for the use and analysis by individual businesses.

B. Dos:

1. Adhere to prepared agendas for all AAR meetings and object any time meeting minutes do not accurately reflect the matters which transpired;
2. Consult with the AAR general counsel and your company on all anti-trust questions relating to AAR meetings; and
3. Protect against any discussions or meeting activities that appear to violate the anti-trust laws; disassociate yourself from any such discussions and leave any meeting in which they continue.

Section 1.14. Whistleblower Policy (01/22/09)

AAR requires Association officers, directors, committee members, and employees observe the highest standards of business and personal ethics in conducting their duties and responsibilities (The Policy). Employees and representatives of the Association must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

- A. Report Responsibility.** It is the responsibility of all employees and representatives of the Association to comply with and maintain the highest standards of business and personal ethics, and to report violations or suspected violations in accordance with This Policy.
- B. No Retaliation.** No employee or representative of AAR who in good faith reports a violation of The Policy shall suffer harassment, retaliation, or adverse employment consequences. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This policy is intended to encourage and enable employees and others to raise serious concerns with the Association prior to seeking resolution outside the organization.
- C. Reporting Violations.** AAR maintains an open-door policy. Employees are encouraged to share their questions, concerns, suggestions, or complaints with their supervisor or anyone in management including legal counsel with whom they are comfortable. Supervisors are required to report suspected violations to AAR's compliance officer (Chair of the Past Presidents Advisory Group), who has responsibility to investigate all reported violations. For suspected fraud or criminal acts, or when an individual is not comfortable with following the open-door policy, the compliance officer should be contacted directly. *(9/16/11)*
- D. Compliance Officer.** AAR's compliance officer is responsible for investigating and resolving all reported complaints and allegations concerning violations of The Policy, and shall advise the Chief Executive Officer, legal counsel, and Executive Committee.
- E. Acting in Good Faith.** Anyone filing a complaint concerning a violation or suspected violation of The Policy must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of The Policy. Any allegations that prove not to be substantiated, or which prove to have been made maliciously or knowingly to be false, will be viewed as a serious disciplinary offense.
- F. Confidentiality.** Violations or suspected violations of The Policy may be submitted on a confidential basis by the complainant. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.
- G. Handling of Reported Violations.** The compliance officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five (5) business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

SECTION 2 ORGANIZATION

Section 2.1. Office Location

The executive offices of the Alabama Association of REALTORS® shall be at 522 Washington Avenue, Montgomery, Alabama, and at other locations as designated by the Board of Directors.

Section 2.2. Tax Status

- A. 501(c)(6) Status.** The Alabama Association of REALTORS® shall be organized as an IRS 501(c)(6) organization.
- B. Profit, Non-Profit Subsidiaries.** The Executive Committee is authorized to take action and advise the Board of Directors of such if at any time for tax purposes, mailing costs, or other similar reasons, it becomes advantageous to organize either for-profit or not-for profit subsidiaries.

Section 2.3. Legal and Professional Counsel

The Executive Committee may retain legal and other professional counsel and fix the terms of compensation thereof. (10/2/2013)

Section 2.4. President's Duties (10/2/2013)

Short Description. The President is the chief elected officer of the Association and serves as chair of the Executive Committee and Board of Directors.

Term. One (1) year, can repeat, but non-consecutive (unless something unforeseen happens to the President-Elect and he/she cannot serve the term). This will provide the Secretary or Treasurer the chance to serve as President-Elect to prepare for a term as President.

Qualification Requirements. Must have served as a Regional Vice President (RVP), Secretary, Treasurer, and President-Elect at some time prior to or during his/her running for President.

Specific Responsibilities

1. Ensure that the mission of the Association is advanced while adhering to the Association's Bylaws, budget, policies, and business plan;
2. Preside at all meetings of the Executive Committee and Board of Directors, voting only to make or break a tie;
3. Set the date, location, and agenda of all Executive Committee meetings;
4. Appoint Presidential Advisory Groups (PAGs) as needed, and as permitted by the Bylaws and Policies and Procedures Manual;
5. Serve as an ex-officio voting member of all AAR committees except as an ex-officio non-voting member of the Audit Task Force;
6. Chair meetings of the Local Board Presidents' Advisory Group;
7. Visit as many boards as the limitations of time will permit, and installing board officers where requested (*requests for presidential visitation should be made through the AAR office*);
8. Officially speak on behalf of the Association and represent the Association before other groups when invited to do so. He/she should not appear before groups and speak as an individual. At all times, the President should speak in favor of issues adopted by the Association, against those issues that the Association opposes, and take no side on issues that the Association has chosen not to take a position;
9. Supervise the business and affairs of the Association and its staff through frequent consultation with the Chief Executive Officer;
10. Prepare travel expenses as outlined in the Policies & Procedures Manual Section 7.4. Travel Policy;
11. Work closely with the Treasurer, the Chief Executive Officer, and appropriate staff to ensure that the finances and expenses of the Association are properly handled;

12. Serve as an NAR Director and attend all NAR Director meetings and regional caucus including, but not limited to, those held during the REALTOR® Legislative Meetings and Annual Conference; and
13. At the end of the term, serve on the Executive Committee as Immediate Past President.

Section 2.5. Immediate Past President's Duties (01/20/15)

Short Description. The Immediate Past President shall serve as a member of the Executive Committee and in an advisory capacity to the President.

Specific Responsibilities

1. Serve as an advisor and be available when called upon by the President, Executive Committee, or Board of Directors;
2. Serve as a voting member and attend all meetings of the Executive Committee and Board of Directors;
3. Serve as chair of the Credentials Committee, and act in accordance with the AAR Bylaws regarding the election of Executive Committee members;
4. Serve as a permanent Director of the Association (each Past President shall be a full voting member of the Board of Directors as long as he/she holds active membership in the Association) or elect to hold non-voting Emeritus status;
5. Serve as a member of the Audit Task Force (*refer to Section 4.4.1. of AAR's Policies and Procedures Manual*); and
6. Prepare travel expenses as outlined in Policies and Procedures Manual Section 7.4. Travel Policy.

Section 2.6. President-Elect's Duties (10/2/2013)

Short Description. The President-Elect shall serve as a member of the Executive Committee and assist the President in performing his/her duties. The President-Elect shall use his/her term of office to prepare to serve as President.

Term. One (1) year, can repeat, but non-consecutive.

Qualification Requirements. Must have served as a Regional Vice President, Treasurer, and Secretary at some time prior to or during his/her running for President-Elect.

Specific Responsibilities

1. In the absence, or inability, of the President to act, serve as presiding officer and perform such other duties of the President as may be required;
2. In the event of the death, disability, resignation, or removal from office of the President, fill the unexpired term of the President. In this event, he/she shall not be prohibited from being selected to his/her otherwise normal term as President;
3. When invited to do so, or as a substitute for the President, install local board officers (*all invitations should be cleared through the AAR office*);
4. Represent the Association before other organizations when invited to do so or at the request of the President. He/she should not appear before groups and speak as an individual. At all times, the President-Elect should speak in favor of issues adopted by the Association, against those issues that the Association opposes, and take no side on issues that the Association has chosen not to take a position;
5. Serve as a voting member and attend all meetings of the Executive Committee and Board of Directors;
6. Prepare travel expenses as outlined in the Policies and Procedures Manual Section 7.4. Travel Policy;
7. Serve as Chair of the full Governmental and Political Affairs Committee;
8. Serve as member of the Audit Task Force (*refer to Section 4.4.1. of AAR's Policies and Procedures Manual*);
9. Perform such other duties as may be directed by the President, the Executive Committee, and the Board of Directors;
10. Work with the Treasurer to select Committee Chairs/Vice Chairs, Committee charges, Committee members, etc., for the next Association year; and
11. Serve as an NAR Director and attend all NAR Director meetings and regional caucuses including, but not limited to, those held during the REALTOR® Legislative Meetings and Annual Conference.

Section 2.7. Treasurer's Duties (10/2/2013)

Short Description. The Treasurer shall serve as a member of the Executive Committee.

Term. One (1) year, can repeat, but non-consecutive.

Qualification Requirements. Must adhere to the qualifications for Vice Chair in regards to the Government and Political Affairs Committee, and must have been Secretary.

Specific Responsibilities

1. Serve as Chair of the Finance Committee and as a member of the Executive Committee and Board of Directors;
2. Present the proposed budgets to the Executive Committee and Board of Directors;
3. Review the financial report monthly with the Chief Executive Officer;
4. Present the financial statements, including a summary of income and expenses, and the current budget to the Executive Committee and Board of Directors at each set meeting;
5. Prepare and submit to the President any assigned or interim special reports;
6. Attend all meetings of the Finance Committee, Executive Committee, and Board of Directors;
7. Serve as Chair of the Audit Task Force (*refer to Section 4.4.1. of AAR's Policies and Procedures Manual*), review the annual independent financial audits of the Association, and report any pertinent items to the Executive Committee and Board of Directors;
8. When invited to do so, or as a substitute for the President, shall install local board officers, or speak to local boards when requested (*invitations should be cleared through Alabama Association of REALTORS® office*);
9. Represent the Association before other organizations when invited to do so or at the request of the President. He/she should not appear before groups and speak as an individual. At all times, the Treasurer should speak in favor of issues adopted by the Association, against those issues that the Association opposes, and take no side on issues that the Association has chosen not to take a position;
10. Serve as a voting member and attend all meetings of the Executive Committee and Board of Directors;
11. Perform such other duties as may be directed by the President, the Executive Committee, and the Board of Directors;
12. Serve as Vice Chair of the full Governmental and Political Affairs Committee;
13. Work with the President-Elect to select Committee Chairs/Vice Chairs, Committee charges, Committee members, etc. for the next Association year;
14. Serve as a National Director for a one (1) year term, by virtue of office, if recommended by the Credentials Committee and approved by the Board of Directors; and
15. Prepare travel expenses as outlined in AAR's Policies and Procedures Manual Section 7.4. Travel Policy.

Section 2.8. Secretary's Duties (1/20/2015)

Short Description. The Secretary shall be elected in accordance with the Bylaws of the Alabama Association of REALTORS®.

Term. One (1) year, can repeat, but non-consecutive.

Qualification Requirements. Must have been a Regional Vice President in the past.

Specific Responsibilities

1. Serve as a voting member and attend all meetings of the Executive Committee and Board of Directors;
2. Certify official approval of the minutes of the meetings of the Executive Committee and Board of Directors;
3. Certify official membership reports to the Executive Committee and the Board of Directors;
4. Prepare and submit to the President any assigned or interim special reports;
5. Serve as Vice Chair of the Finance Committee;
6. Serve as member of the Audit Task Force (*refer to Section 4.4.1. of AAR's Policies and Procedures Manual*);

7. Serve as Chair of Core Standards Task Force; and
8. Prepare travel expenses as outlined in AAR's Policies and Procedures Manual Section 7.4. Travel Policy.

Section 2.9. Regional Vice President's Duties

Short Description. A Regional Vice President is the official representative of the Association within his/her jurisdiction and serves as liaison between Local Board and State Association leadership. An RVP identifies problems or opportunities within the region and assists wherever possible. Service as an RVP shall be a prerequisite to being eligible to the other elective offices of the Association.

Term. One (1) year, can repeat, but cannot exceed two (2) consecutive terms in an RVP position.

Qualification Requirements. Leadership AAR graduate or have served as a Local Board President, and one of the following:

1. Two (2) consecutive years served on local or AAR Board of Directors, or
2. Two (2) consecutive years served on the same AAR Committee.

Specific Responsibilities.

1. Contact newly elected Board Presidents in your region and let them know the Association's desire to be of service. Monthly: contact Board Presidents about Board activities and concerns and send the Regional Vice President Monthly Report on your discussions to AAR offices, to be received seven (7) days prior to the Executive Committee meeting. This report shall be disseminated to the Executive Committee prior to their regular meetings and discussed in the Executive Committee meetings (6/13/12);
2. Keep both the President and Chief Executive Officer informed of problems or special needs of Local Boards in your region and visit those Boards as needed;
3. Prior to each business meeting of the Association, contact the Board Presidents in your region and ask them to encourage full attendance from their Directors and those serving on AAR committees;
4. Visit each Board in your region at least once during the year and meet privately with Board leadership/directors to determine what problem areas may exist. If special attention is needed, two or more visits during the year may be needed;
5. When attending meetings of the Boards in your region:
 - a. Stress the importance of an aggressive membership recruitment campaign. Urge the Board leadership to have an active program of both membership solicitation and retention.
 - b. Outline services available to Boards from the State Association and stress the importance of attendance at the State Association's meetings and involvement of the Board's membership in Association-sponsored educational opportunities.
 - c. Stress the importance of regularly scheduled meetings, which are of interest and benefit to the Board's membership. Emphasize that AAR can assist in planning and securing speakers via the Speaker's Bureau.
6. When requested, act on behalf of the President installing officers for Boards in your region when the President is unable to attend;
7. Call and preside at the annual and any special caucuses of the region;
8. At least once during the year hold a regional meeting. AAR will notify members in the region;
9. Serve as a member and attend all official meetings of the Executive Committee and AAR Board of Directors;
10. At the end of your term of office, prepare a written report to your successor. At the annual orientation of the incoming Executive Committee, a time will be scheduled for you to meet with the incoming Regional Vice President to orient your successor on developments, progress made, problems, etc. of each of the Boards in your region;
11. At the end of your term of office, will serve on the Core Standards Task Force for an additional one (1) year term (1/20/15);
12. Using social media or a distribution list of all local presidents, other elected officers, Association Executives, Governmental Affairs Chairs, ARPAC Chairs, and members of the AAR Governmental and Political Affairs Committee in your region, send email updates and requests for input concerning governmental and political affairs at least monthly, and more often during legislative sessions. The AAR

Governmental Affairs Director will provide timely information to use in selecting what to include in emails to local Boards (6/13/12); and

13. Prepare travel expenses as outlined in AAR's Policies and Procedures Manual Section 7.4. Travel Policy. (10/2/2013)

Section 2.10. Board of Directors' Duties (6/13/2012)

- A. **Generally.** As stated in Article VI, Section 3 of the Constitution & Bylaws, the Board of Directors shall administer the finances of the Association and shall have sole authority to appropriate money. Notwithstanding the provisions of Article III, Sections 1 through 3, the Board of Directors shall have the authority to levy a special assessment for specific purposes, and shall provide for the collection of the same. The accounts of the Association shall be audited annually by a Certified Public Accountant (CPA).
- B. **Meetings and Reports.** As stated in Article VI, Sections 4 and 5 of the Constitution and Bylaws, the Board of Directors shall meet not less than two (2) times each year, once at the Capitol Conference, which shall be held in the first quarter of the fiscal year, and once at the time of the Annual Convention.
 1. The Alabama Association of REALTORS® will prepare a summary of the most important issues discussed and/or acted on at the meetings of the Board of Directors. This summary will be emailed to all State Directors within thirty (30) days of Directors' meetings for State Directors to discuss at Local Board meetings (i.e., Executive Committee, Board of Directors, and membership meetings). This summary and the minutes of the meetings will also be emailed directly to the Local Boards. (9/13/2016)
- C. **Attendance.** A Director is expected to attend all meetings of the Board of Directors. Article VI, Section 5.A. and B. sets forth sanctions placed on unexcused absences, etc.
 1. Any member selected by Section 1.C. who during the term of office is absent from two (2) meetings of the Board of Directors without having been officially excused in writing for good cause due to illness, significant family events, jury duty, active military service, undue hardship, or serious personal emergencies by the Executive Committee shall be deemed to forfeit the office, and the Chief Executive Officer shall so notify the Director and the Director's Local Board. The Director shall have fifteen (15) days thereafter to appeal to the Executive Committee in writing for waiver of this provision for good cause, and the appeal shall be heard at the next meeting of the Executive Committee. Where a position is forfeited and hence vacant, the Chief Executive Officer shall notify the respective Local Board, which shall be entitled to select a Director to fill such vacancy. (10/2/2013)
 2. Any member selected by Sections I.A. or B., or by Sections 2.B. or C., who is absent from two (2) meetings of the Board of Directors during the term of office shall be placed on inactive, non-voting status, and may be returned to active status only for good cause on written application to and approved by the Board of Directors.
- D. In addition, the following requirements are set for Directors of the Alabama Association of REALTORS®:
 1. As a member of the State Association's governing body, it is the responsibility of the State Director to represent the interests of the total State Association membership and not solely his/her personal interest, local board, or region.
 2. **Oath of Office.** State Directors shall be sworn in to his/her term on the Alabama Board of Directors pursuant to Section 2.14. of the Policies and Procedures Manual.
 3. **Duty of Care.** A Director shall abide by the duty of care, which requires leaders to use reasonable care and good judgment in making decisions on behalf of the interests of the State Association.
 - a. A Director shall have basic knowledge and familiarity with business, finance, and accounting of the Association.
 - b. A Director shall put in the time and effort necessary to prepare in advance and attend all meetings.
 4. **Duty of Loyalty.** A Director shall maintain a duty of loyalty to the Association, which requires leaders to be faithful to the organization, avoiding conflicts of interest.
 - a. A Director should not use their Director position for personal profit or gain, or for other personal or business advantage.
 - b. A Director owes the Association a duty of fair and honest dealing.

- c. One important aspect of the duty of loyalty is to retain the confidentiality of information that is explicitly deemed confidential by the Association, as well as information that appears to be confidential from its nature or matter.
- 5. Board of Director Training.** A new Director shall attend Board of Director training from the State Association prior to being seated as a Director and/or voting on issues before the Board of Directors.
- a. The State Association shall provide required training in advance of normally scheduled Board of Directors meetings.
 - b. The training shall include legal, fiduciary, and ethical obligations as Directors to the State Association and membership.

Section 2.11. Committee Chair/Vice Chair Duties

Timetable and Selection Process for Committee Chairs, Vice Chairs, Committee Charges, Budgets, and Committee Members

- A.** The President-Elect and Treasurer shall meet no later than **June 15** annually for the purposes of initiating the selection process for Committee Chairs and Vice Chairs. The final selection shall be designated no later than the Annual Convention each year for approval of the Board of Directors.
- 1.** Requirements for selection of Chairs:
 - a. Chairs are appointed by the President-Elect;
 - b. Should have attended two-thirds (2/3) of meetings during a two-year period for the Committee Chair being considered; and
 - c. Should have served on the Committee for three (3) years or chaired another committee other than Finance and Core Standards. (01/20/2015)
 - 2.** Requirements for selection of Vice Chairs:
 - a. Vice Chairs are appointed by President-Elect and Treasurer;
 - b. Should have attended two-thirds (2/3) of meetings during a two-year period for the committee Vice Chair being considered; and
 - c. Should have been on the Committee for two (2) years.
- * If no candidate is found meeting the criteria, selection can be made at the AAR President's discretion.*
** These requirements are excluded for any Vice Chair or Chair position held by any Executive Committee officer.*
- B.** No later than **October 15** each year, based on Chair/Vice Chair approval by the Board of Directors, Chair/Vice Chair Commitment letters shall be sent to all Chairs/Vice Chairs, along with the basic Committee charges as set in the Bylaws and/or Policies and Procedures Manual, and/or the Business Plan of the Alabama Association of REALTORS®.
- C.** No later than **November 15** each year, a meeting shall be held at the AAR offices in Montgomery for the purposes of the President-Elect and Treasurer meeting with the prospective committee leadership to draw up a full Committee charge and plan of action for each committee using the AAR Business Plan as the guide for the charge, along with meeting dates for the year. In addition, each Chair/Vice Chair shall be given a list of all persons requesting committee service to enable them to make recommendations to the President-Elect and Treasurer concerning appointments/continuation of committee members.
- D.** The first Committee meeting will be at the beginning of each new year in the Capitol Conference time format, except those meetings scheduled to meet at other times away from the normal committee time frames. (9/16/11)
- E.** Prior to each Committee meeting during the year, it is the responsibility of the Chair and Vice Chair to contact all committee members to let them know of the meeting, and their responsibility and commitment to their respective committees, and
- 1.** To establish measurable/quantifiable goals and report to the Board of Directors of AAR as to the progress of the Committee;
 - 2.** To create programs and/or policies for implementation by the Committee that are consistent with the Alabama Association of REALTORS® Constitution and Bylaws, Policies and Procedures Manual, Business Plan, and/or Structural Audit;

3. To appoint and give clear direction to Task Forces as needed, empowering them to either make their report back to the Committee or to make their recommendations directly to the Board of Directors;
4. To know the financial aspects of the Committee and to be familiar with the budget process (line item adjustments within the committee budget may be made at the discretion of the Committee);
5. To participate in the ongoing work of the Committee outside of the times set for group meetings;
6. To create an environment that encourages maximum member participation;
7. To ensure that the Committee follows appropriate procedures for accomplishing programs;
8. To coordinate with the staff liaison the plans, actions, mailings, etc. as pertains to this Committee;
9. To develop and/or review the long-range plan for the Committee they chair;
10. To present motions by the Committee Chair (or designee) from the Committee to the Executive Committee and Board of Directors;
11. Term of one (1) year can repeat; and
12. Chairs vote only to make or break a tie.

Section 2.12. Regions Defined (6/16/98)

A. Regions Defined

The regions of the Association shall embrace boards whose jurisdictions fall within the respective Alabama counties named below:

Northern: Colbert, Franklin, Jackson, Lauderdale, Lawrence, Limestone, Madison, Morgan, and Marshall Counties.

North Central: Bibb, Calhoun, Cherokee, Clay, Cleburne, Cullman, DeKalb, Etowah, Fayette, Lamar, Marion, Pickens, Randolph, St. Clair, Talladega, Tuscaloosa, Walker, and Winston Counties.

Jefferson-Shelby-Blount: Blount, Jefferson, and Shelby Counties.

Central: Autauga, Barbour, Bullock, Butler, Chambers, Chilton, Choctaw, Coffee, Coosa, Covington, Crenshaw, Dale, Dallas, Elmore, Geneva, Greene, Hale, Henry, Houston, Lee, Lowndes, Macon, Marengo, Montgomery, Perry, Pike, Russell, Sumter, Tallapoosa, and Wilcox Counties.

Southern: Baldwin, Clarke, Conecuh, Escambia, Mobile, Monroe, and Washington Counties.

B. Map of the Regions

A map was approved, and is incorporated herein.



Section 2.13. NAR Directors

A. Qualifications

1. To be a National Director, one must have attended at least one of the National Association's major meetings (Mid-Year or Annual Convention) in the year prior to his/her being appointed as a National Director and are strongly encouraged to have attended at least one Directors Meeting at those meetings.
2. To be a National Director, one must have served as a Local Board President, or have had prior service as a National Director, or have served as AAR Secretary prior to his/her appointment as a National Director. (1/23/14) In addition one must have served for two (2) consecutive years on an NAR Committee within the previous four-year period and have a strong record of service on NAR Committees and activities.
3. As part of the criteria of accepting to be a National Director, the Director agrees to continue to serve and participate on one (1) National Committee, and will be appointed through NAR's committee appointment process.

B. Responsibilities

1. The NAR Director's job is to keep abreast of the current issues and problems facing the National Association of REALTORS®.
2. As a member of the National Association's governing body, a National Director's major responsibility is to represent the entire membership of the National Association. There being many different viewpoints in the Association's body with sound reasons to support each of them, it is, however, incumbent on the National Directors to keep in mind that they are responsible to all of the Members and must keep the welfare of the total Association in the forefront of their decisions, and not base any decision on geographic or factional considerations.
3. An NAR Director is expected to attend both National Board of Directors' meetings each year. To request an excused absence a written letter of explanation must be sent to the Executive Committee and to the National Association. Excused absences may be requested and considered because of illness, significant family events, and serious personal emergencies. Approval of a request for an excused absence shall be determined by an affirmative vote of a majority of the National Directors, who shall convene by any means available as soon as possible after the request is received. The vote shall be by secret ballot.
4. Subsequent to NAR Committee/Leadership Request Forms being distributed, the National Directors will meet for the following purposes, realizing the NAR deadline:
 - a. Review NAR Committee Request Forms and make the selection of whom to recommend to NAR

Committees based on the criteria listed on the form, to best serve the Alabama Association of REALTORS®, and

- b. Based on Committee Leadership Request Forms received, make a recommendation to the National Leadership as to Chair and Vice Chair of National Committees.
5. Upon the return of the Director from a National Board of Directors' meeting, he/she has fifteen (15) days from the close of the National meeting to file with the State Association the following:
- a. A National Director Reporting Form listing what they consider to be the five (5) most important issues discussed at the Directors' Meeting, committee meetings attended and action taken, and their assessment/opinion of the overall Board of Directors meeting;
 - b. After the form is filed with the State Association, the reports are to be compiled and summarized into one and posted on the Association website;
 - c. At each of the main state Board of Directors meetings held each year, one of the National Directors shall be responsible for presenting a composite report to the State Director body, with the maximum time limit of five (5) minutes for presentation. The Directors shall report on a rotation duty. The AAR staff shall be advised to add this report to the agenda of each Board of Directors meeting;
 - d. A report of expenses with receipts attached shall be completed on a form provided by the State Association prior to the meeting being attended; and
 - e. The above steps must be followed before compensation will be paid to any National Director attending the National meeting.

C. Terms

The term of the National Entitlement Director shall be for a period of three (3) years, except the President-Elect of the Alabama Association of REALTORS® shall serve one (1) year of one (1) three-year Entitlement Director term. The AAR Treasurer may serve as a National Director for a one (1) year term by virtue of office, if recommended by the Credentials Committee and approved by the Board of Directors. (9/19/08)

D. Reimbursement

National Directors, unless otherwise reimbursed, shall be reimbursed for travel expenses as outlined in AAR's Policies and Procedures Manual Section 7.4. Travel Policy, with receipts being required, provided they attend the NAR Directors' meeting in its entirety, and are present at the time of adjournment, but shall not be paid until all steps of the above are completed by the National Director, provided that an excused absence has been approved in accordance with Section 2.13.B.3. as recited above. (1/20/2015)

E. Travel

Each National Director shall make his/her own registration and travel arrangements for each National meeting.

Section 2.14. Oath and Installation of Officers

Alabama Association of REALTORS'® officers shall be installed during the Annual Convention or at a special membership meeting.

Oath of Office

- Do you solemnly and sincerely promise and swear that you will administer the office to which you have been elected to the best of your ability and judgment, in conformity with the Constitution and Bylaws of this Association; and
- That you will observe and enforce the Code of Ethics of the REALTORS®;
- That you will uphold and support the Alabama Real Estate Commission in its enforcement of the license law of Alabama;
- That you will uphold and support your National Association of REALTORS®; and
- That you will in all your acts be governed by the principles of honesty, justice, and fair play, and in every manner possible endeavor to promote and safeguard the best interest of our State, the high purposes of this State Association, and the welfare of its membership. Do you so subscribe?

Section 2.15. Small, Medium, Large Boards Defined

The Boards of the Association shall be categorized as small (1-99 members), medium (100-499 members), or large (500 and above members).

Section 2.16. Executive Committee

- A. Meetings.** Except for joint meetings of the Executive Committee and NAR Directors as provided in the Bylaws, the attendance of the NAR Directors or other individuals at Executive Committee meetings is at the discretion of the President or the Executive Committee.
- B. Employment Agreement.** The Executive Committee is authorized to employ or enter into an employment agreement with the Chief Executive Officer, and is authorized to terminate same as necessary.
- C. Constitutes Legal Action Fund Administrators.** The Executive Committee is hereby constituted as the Legal Action Fund Administrators for purposes of administering the Legal Action Fund.
- D. Constitutes Investment Advisory Group.** The Executive Committee is hereby constituted as the Investment Advisory Group for purposes of administering the investment funds.
- E. Resolutions.** Resolutions “celebrating the life of a deceased REALTOR®” shall be authorized by the Executive Committee upon receipt from the Local Board of a fully executed resolution request form containing the professional and volunteer services of the REALTOR®.

Section 2.17. Local Boards

AAR encourages Local Boards to be all-REALTOR® boards. Local Boards are encouraged to aggressively recruit new members. (6/13/12)

Section 2.18. Membership Lists

- A. For Official AAR Business.** The membership list of the Association is the property of the Association for official use of the Association. The Chief Executive Officer may furnish mailing lists, for official AAR business, at no cost or at cost if requested on more than an infrequent basis, to local boards, societies, institutes, councils, or other persons.
- B.** E-mail addresses may be used in the historical and routine business of the Association (i.e., list serves, Leadership Manual, etc.) but shall not be rented, sold, or given to any other individual or organization for any other purpose unless authorized by the Executive Committee. (6/3/03)

SECTION 3 ASSOCIATION BUSINESS

Section 3.1. Committee Motions *(1/11/96)*

On business items that necessitate approval by the Board of Directors, all committees shall report motions in writing to the Executive Committee for presentation to the Board of Directors.

Section 3.2. Executive Committee Review

All committee motions are to be on a form for use as a supplemental agenda by the Executive Committee. The Committee shall recommend action to the Board of Directors on each such motion on a supplemental agenda that shows the original motion and the Executive Committee's recommendation. *(9/87)*

Section 3.3. Board Disposition

The chair of each committee may speak to any committee motion and also provide other informational reports. The following motions are in order to dispose of committee motion(s):

1. Move adoption, as recommended by the Executive Committee;
2. Move adoption, notwithstanding the Executive Committee's recommendation; and
3. Other proper motions.

At each Board of Directors meeting, motions should first be presented verbally, discussion allowed, and then the recommendation of the Executive Committee should be presented verbally and a disposition made. *(1/16/91)*

Section 3.4. Board of Directors Notification of Meeting/Minutes *(9/16/11)*

Minutes and a tentative agenda should be sent out by email not later than two (2) weeks prior to the next scheduled Board of Directors meeting, and should not be included in the Director packets at the Board of Directors meeting.

Section 3.5. Sign-In Book

There shall be a Director sign-in book that contains the name of each Director. This shall be a permanent record book to enable the Executive Committee to vigorously enforce Director attendance requirements. *(7/3/91)*

Section 3.6. Minimum Notice of Meetings

The Chair shall give at least two (2) weeks written notice of any called committee meetings, except by consent of the President.

Section 3.7. Recusal of Members

Any Member who has a financial interest in the outcome of any matter being considered shall recuse himself/herself. Any member of a committee who is related to a person being considered for an award shall leave the meeting room for the entire deliberation of the award.

Section 3.8. Committee Sign-In

Committee attendance records should be maintained in a permanent sign-in book and a list of committee attendees attached to the committee reports. *(7/3/91)*

Section 3.9 Committee Minutes

Minutes of Board of Directors and Executive Committee (excluding executive session) meetings shall be posted on the Members Only side of the AAR website.

SECTION 4

Presidential Advisory Groups, Committees, Task Forces, and Trustees

(As reserved by Article VIII of AAR's Constitution and Bylaws)

Section 4.1. Presidential Advisory Groups (9/19/08)

Presidential Advisory Groups (PAGs) appointed by the President shall report their findings/recommendations to the Executive Committee and Board of Directors for disposition. PAGs appointed by the President cease to exist when the final report is presented. The charge and appointments will be posted on the AAR website, and all Local Boards/Associations shall be notified as to the task to be performed and who has been appointed to the PAG.

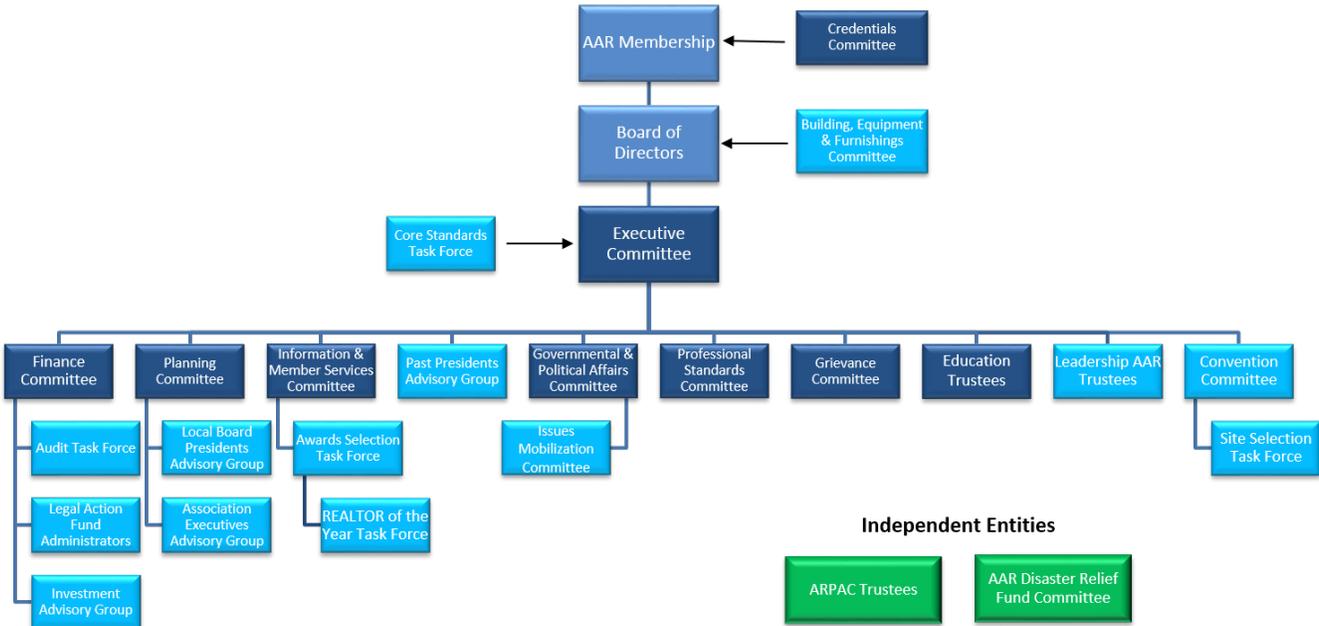
Section 4.2. Committee Task Forces

Task Forces are to be appointed by committee chairs to manage specific committee responsibilities. Task Forces are to carry out and implement their charges and, when required, submit recommendations and findings to their committee chairs, who shall report the findings/recommendations to the Executive Committee and Board of Directors for disposition. Task Forces appointed by chairs cease to exist when the final report is presented. When Task Forces are appointed by the committee chairs, the charge and appointments will be posted on the AAR website, and all Local Boards/Associations and members of that committee shall be notified as to the task to be performed and who has been appointed to the Task Force. (9/19/08)

Section 4.3. AAR Organizational Chart (1/20/2015)

The AAR Organizational Chart provides the structure for the conduct of the Association's business.

AAR Committee Organizational Chart



Section 4.4. Advisory Group, Task Force, and Trustee Functions

Section 4.4.1. Audit Task Force (10/02/2013)

The Audit Task Force shall consist of, and serve terms, as follows:

- 1. Immediate Past President one (1) year term during year as Immediate Past President
- 2. President-Elect one (1) year term during year as President-Elect
- 3. Treasurer one (1) year term during year as Treasurer
- 4. Secretary one (1) year term during year as Secretary

- | | |
|-------------------------------|------------------------|
| 5. Past State President* | three (3) year term |
| 6. Local Board President** | one (1) year term |
| 7. Local Board Ex. Officer*** | two (2) year term |
| 8. State President | ex-officio, non-voting |
| 9. State Exec. Officer | ex-officio, non-voting |

*The Past State President shall be chosen by the Past State Presidents as necessary prior to the beginning of the term of office.

**The Local Board President shall be chosen by the Local Board Presidents prior to the beginning of the term of office.

***The Executive Officer shall be chosen by the Executive Officers in October prior to the beginning of the term of office.

The first meeting of each Audit Task Force shall be held no later than December 1 of each year for purposes of initiating the audit process with the AAR staff, to engage the CPA for the audit, and to establish communication lines for timely updates and notification of completion of the audit. The Treasurer of the Association shall be the Chair of the Audit Task Force.

Section 4.4.2. Building, Equipment, and Furnishings Committee

The Building, Equipment, and Furnishings Committee shall develop and be responsible for a regular schedule of building evaluation and maintenance. (9/19/08)

Section 4.4.3. Issues Mobilization Committee

The Issues Mobilization Committee shall provide financial support to State and Local Associations to support or oppose measures or actions proposed or to be proposed by or before state or local governmental bodies that concern the preservation of real property rights, real estate brokering, and the legal and economic rights of the real estate industry pursuant to AAR Issues Mobilization Fund Bylaws. (9/16/2015)

Section 4.4.4. Legal Action Fund Task Force (9/19/08)

Statement of Organization and Procedure

Legal Action Fund Administrators

A. Name. A special program of the Alabama Association of REALTORS® known as the Legal Action Program is hereby created.

B. Purpose. The principal function of the Legal Action Program shall be to establish and administer the Legal Action Fund. The Legal Action Fund shall be administered to best achieve the purposes and goals of the Legal Action Program. These purposes and goals are as follows:

1. Promote among the Member Boards of the State Association, in any appropriate fashion, an understanding of their rights and duties under State law;
2. Support the adequate representation of Member Boards and Members threatened by litigation having statewide significance;
3. Provide legal assistance or funding to initiate litigation at the request of a Member Board to promote or defend the rights of members, the public, or others concerned with the protection of private property. Litigation shall not be initiated except in accordance with any and all relevant procedures and policies of the National Association of REALTORS® and the Alabama Association of REALTORS®;
4. Defray all or a portion of the costs and legal fees incurred by the Alabama Association of REALTORS® or one or more Members or Member Boards in suits in which they may be named as defendants, and which are deemed to involve legal issues of great significance; and
5. Defray the administrative costs and fees of the Alabama Association of REALTORS® involvement and intervention in the Legal Action Program in pursuance of the above goals.

C. Funding

1. The Legal Action Fund shall be financed by funds derived from the membership in accordance with the

Bylaws and as determined by the AAR Board of Directors; and

2. Such funds shall be derived from the membership in any or all of the following ways at the discretion of the Board of Directors:
 - a. Direct appropriation from the budget or reserves of the Alabama Association of REALTORS®;
 - b. Annual or special dues assessments or allocations to support the Legal Action Fund, as authorized by the Bylaws of the Alabama Association of REALTORS®;
 - c. Loans obtained by the Alabama Association of REALTORS® to endow the Legal Action Fund, secured by and repaid from the general assets of the Alabama Association of REALTORS®*;
 - d. Revenues derived from other sources or activities in a manner and at such times as deemed necessary and appropriate.

* Loans are appropriate only for initial financing and should be repaid as rapidly as possible.

D. Administration

1. The Legal Action Fund shall be administered by the Legal Action Fund Administrators. The Legal Action Fund Administrators are members of the Executive Committee. The Secretary of that body shall account for and maintain all Fund monies, and shall disburse such monies as recommended by the Legal Action Administrators; *(1/11/96)*
2. Each year the body of Administrators shall select from their number a Chair and Vice Chair to serve for a term of one (1) year. The Secretary of the Alabama Association of REALTORS® or his/her designee shall serve as Secretary to the body. Meetings will be held at the call of the Chair, or at the call of the Secretary with the approval of three (3) committee members, but in no case, less than three (3) times yearly; *(1/11/96)* and
3. The Legal Action Fund Administrators shall adopt rules and regulations regarding the collection of money to operate the Legal Action Program in accordance with the methods of fund raising as directed by the Board of Directors, and to manage and administer the Legal Action Fund. Such rules are subject to the direction and approval of the Board of Directors of the Alabama Association of REALTORS®.

E. Request for Assistance for Member Boards

1. All requests for support from the Legal Action Fund must be initiated or supported by a Member Board, and be made in writing directly to the Secretary of the Legal Action Fund Administrators;
2. All requests for support from the State Legal Action Fund shall be forwarded by the Secretary to the Fund Administrators Chair and to all Legal Action Fund Administrators; *(1/11/96)*
3. All requests for support from the Legal Action Program must relate to litigation, actual or proposed, that is deemed likely to result in the determination of the relevant issues in a manner that will have important precedential significance to real estate licensees or the real estate industry in general;
4. The Fund is for legal costs and fees, and may not in any case be used to pay judgments for damages or fines, or to pay any liability resulting from settlement before or after trial of any lawsuit, or to pay any costs or fees of opposing counsel;
5. Any request for support must also indicate whether or not support has been sought from the National Association's Legal Action Fund. Such statement shall also indicate whether support has also been solicited from the Member Board Legal Action Fund, if such Fund exists, and whether any such support has been granted, and on what terms;
6. The Legal Action Fund Administrators, in collaboration with State Association counsel, shall study the merits and implications of each request for support. The requesting party shall appear before the Administrators to support the request, and shall answer any questions posed by the Administrators; *(1/11/96)*
7. The Legal Action Fund Administrators may condition support on retention of counsel deemed most experienced in the issues and controversies presented; *(6/13/90)*
8. If the Legal Action Fund Administrators reject a request, the Member Board/Association initiating or supporting the request may appeal the denial directly to the Alabama Association of REALTORS® Board of Directors at a general meeting; *(1/11/96)* and
9. All claims on the Fund shall be submitted to the Secretary of the Alabama Association of REALTORS®. Such claims will then be paid by the Alabama Association of REALTORS® as authorized by Executive

Committee action on the request, and substantiated by verified statements of expenses.

NOTE: THE LEGAL ACTION FUND IS IN NO WAY TO BE CONSIDERED A SUBSTITUTE FOR ERRORS AND OMISSIONS INSURANCE, OR OTHER PROTECTIVE PROGRAMS COVERING MEMBERS AND MEMBER BOARDS.

Section 4.4.5. Investment Advisory Group (9/19/08)

The Executive Committee constitutes the Investment Advisory Group. The Investment Advisory Group is authorized to obtain the services of an investment consultant to manage portions of AAR funds. The investment consultant shall serve at the discretion of the Investment Advisory Group. The Chief Executive Officer and Assistant Executive Officer shall be ex-officio members. The Investment Advisory Group shall review at least quarterly the investments of the Association.

Section 4.4.6. Local Board Presidents' Advisory Group (1/20/15)

Charge:

- To meet at least three (3) times annually to discuss state and local issues impacting REALTORS®
- To meet with the AAR President to discuss the ways and means AAR can assist Local Associations and where Local Associations can assist AAR for the benefit of all Members.
- To name a Local President annually to serve on the AAR Audit Committee and five (5) Local Presidents annually (one (1) per region) to serve on the Credentials Committee.

Section 4.4.7. Association Executives' Advisory Group (9/19/08)

Charge:

- To provide a forum for local Association Executives to meet and discuss Association and Member issues.
- To provide Local Association Executives opportunities to exchange ideas and to meet with the AAR President and staff.

Section 4.4.8. Past Presidents' Advisory Group (9/19/08)

Charge:

- To advise the President during the year on matters of importance where the collective wisdom of the Group would be important.
- To hear the President's remarks on matters the President wishes to bring to the Group at their two (2) annual meetings.
- To provide a meeting at each AAR meeting where Past Presidents can discuss Association issues and offer advice and counsel.
- To provide a continuous setting where Past Presidents can visit together and have dinner at each AAR meeting.

Section 4.4.9. Site Selection Task Force (6/13/12)

The convention location will be recommended by a Site Selection Task Force comprised of three (3) Convention Committee members selected by the Committee, and three (3) Executive Committee members selected by the Executive Committee. (9/16/2015)

The Site Selection Task Force shall make its recommendation to the Board of Directors each year no later than Capitol Conference. The Site Selection Task Force shall recommend meeting sites up to six (6) years out, and shall take into account membership needs and opinions based on the most recent membership survey.

The Annual Convention should be in state every three (3) years commencing in 2000. The remaining two (2) years in the cycle should have one (1) site that would be easily accessible by car and the other site would have no distance stipulation. Convention content shall be planned each year by the Convention Committee, with input from the State President. (9/16/2015)

Section 4.4.10. Core Standards Task Force

Charge:

- To review the required information Local Associations must submit every year to meet NAR's Local Association Core Standards.
- To assist Local Associations in meeting the required Core Standards.

Section 4.4.11. Awards Selection Task Force *(amended 9/13/16)*

Charge:

- To select the recipient of the David D. Roberts Sr. Award, the Robert Jemison Award, the Omega Tau Rho Award, the Mickey Phillips REALTORS® for Children Award, and the Harriett Isaacson Excellence in Education Award.

The Awards Selection Task Force shall be comprised of at least sixteen (16) members and shall meet at least once annually, in August, as conferred by the chair. At the August meeting, a quorum of at least one-half (1/2) of the members must be present to select recipients of the awards.

Section 4.4.12. REALTOR® of the Year Task Force *(amended 9/13/16)*

Charge:

- To annually select from all Local Association/Board nominees one (1) Member to be the Alabama Association of REALTORS® REALTOR® of the Year. *(9/19/08)*

Section 4.4.13. ARPAC Trustees *(9/19/08)*

Charge:

- To elect candidates who are knowledgeable and sympathetic to REALTOR® issues for the purpose of developing governmental policies, legislation, administration, and finances for the advancement of the cause of good government.
- To have sole responsibility and authority for ARPAC fundraising and ARPAC contributions.

Section 4.4.14. Leadership AAR Trustees *(10/2/13)*

Charge:

- To oversee the Leadership AAR program including speakers, programs, and materials.
1. The affairs of Leadership AAR program shall be managed by a five (5) member Board of Trustees, consisting of two (2) AAR Past Presidents, two (2) REALTOR® Members, and one (1) member of the most recent Leadership AAR class. Members shall be selected for their knowledge, experience, and/or understanding of the association in order to provide the program with a sound foundation and the necessary leadership essential to its success.
 2. Trustees shall serve two-year terms. No Trustee shall serve more than two (2) consecutive terms and no more than five (5) consecutive years if appointed to fill a vacancy or a term less than a full term.
 3. The President-Elect shall annually appoint one (1) Past President.
 4. The Chair of the Trustees shall annually appoint one (1) REALTOR® Member.
 5. One (1) member from the most recent Leadership AAR class shall be selected by the Trustees.
 6. In the event of a vacancy, the appointment shall be made to fill the remainder of the term by the appointing authority outlined above.
 7. The Chair and Vice Chair shall be selected by the Trustees from among the Trustees at its last meeting of the year or no later than November 15.
 8. The Chair will assign a Selection Task Force to review applications and select members for the Leadership class.

Section 4.4.15. Federal Political Coordinators

Federal Political Coordinators (FPCs) conduct and oversee grassroots activities in each Congressional District that help to develop and maintain a relationship with their Member of Congress. They are expected to keep the communication loop moving by providing NAR with field reports, fulfill FPC training requirements, and promote

responses to NAR Calls for Action in their Congressional District or state. (6/11/2014)

FPCs are appointed by the National Association of REALTORS®. The planning of the legislative reception held during the REALTOR® Party Convention in Washington, D.C. is coordinated by the FPCs in conjunction with the State Association staff. (6/11/2014)

Travel allowances shall be provided for as outlined in AAR's Policies and Procedures Manual Section 7.4. Travel Policy. (9/16/2015)

Section 4.4.16. Chair of Real Estate-Investment Advisory Group (9/19/08)

Agreement with University of Alabama: Pursuant to an agreement entered into February 17, 1977, with the University of Alabama, there shall be an Investment Advisory Group to be appointed jointly by the AAR Board of Directors and the President of the University of Alabama. Investments of the corpus of the endowment for the Chair of Real Estate shall be "...separately invested in accordance with the recommendations..." of the Advisory Group.

SECTION 5 CONFERENCES AND CONVENTIONS

Section 5.1. Capitol Conference

- A. Charges.** The Capitol Conference may have a minimum registration fee, to cover charges of the hotel, meeting space, breaks, meals, etc.
- B. Location and Registration Fees.** The Capitol Conference shall be held at such location as set by the Executive Committee. Registration fees shall be set by the Executive Committee, with discounts provided for non-member spouse/guest registration. Past Presidents receive a complimentary registration provided they register prior to the date fees increase. *(10/2/2013)*
- C. Capitol Conference Planning.** Staff is responsible for making arrangements, commitments, or entering into any contracts, even temporarily, on behalf of the Alabama Association of REALTORS® with regard to the Capitol Conference. A program proposal that takes into account committee input should be presented by staff to the Executive Committee for approval no later than December of each year.
- D. Trade Show.** If a trade show is held in conjunction with the Capitol Conference, institutes, societies, and councils affiliated with the National Association of REALTORS® will be eligible for a fifty (50) percent discount off the published exhibitor fee for booth space (the discount does not pertain to additional services requested such as electricity, phone lines, etc.).

Section 5.2. Annual Convention

- A. Registration Fees.** Convention fees shall be set by the Executive Committee, with discounts provided for non-member spouse/guest registration.
- B. Late Registration Fees/Refunds.** Late registration fees shall go into effect as determined by the Chief Executive Officer, and no refunds shall be issued for any cancellation received after the Friday before Annual Convention due to contracts with providers. *(10/2/2013)*
- C. Awards Luncheon/Dinner.** All awards shall be given at the awards luncheon, except the REALTOR® of the Year Award and the David D. Roberts, Sr. Award, which shall be given at the last evening dinner. *(1/18/1995)*
- D. Former Presidents as Hosts.** Former AAR Presidents and their spouses shall serve as hosts for NAR guests and special dignitaries. Former Presidents and spouses may have reserved seating at all activities.
- E. Trade Show:** If a trade show is held in conjunction with the Annual Convention, institutes, societies, and councils affiliated with the National Association of REALTORS® will be eligible for a fifty (50) percent discount off the published exhibitor fee for booth space (the discount does not pertain to additional services requested such as electricity, phone lines, etc.). *(7/1/1995)*

Section 5.3. Meeting Administration

The Chief Executive Officer and his/her staff shall administer all logistical, contractual, financial, and other management functions in carrying out the conferences, conventions, education courses, and other events of the Association, taking into consideration the overall program plan recommended by the respective committee. *(1/11/96)*

Section 5.4. Professional Standards Seminar

Annually, there shall be a minimum of two (2) regional professional standards seminars. Each seminar is to be taught by an instructor who received NAR procedural training, and is to be taught at Capitol Conference and other areas of the state where demand exists. *(1/15/1998)*

SECTION 6 EDUCATION

Section 6.1. Continuing Education

- A. Education Committee Jurisdiction.** All State-sponsored continuing education courses are under the jurisdiction of the Education Trustees. *(6/13/1990)*
- B. Continuing Education (CE) Agreements.** CE Agreements are authorized with Local Boards of REALTORS® for administration of various parts of the program. *(6/13/1990)*

Section 6.2. REALTOR® Institute

- A. AAR Exclusive Sponsor.** AAR is the exclusive sponsor of Graduate REALTOR® Institute (GRI) courses in Alabama.
- B. Testing.** Testing is to take place in each GRI module during the last thirty (30) minutes of each such session. In the REALTOR® Institute Course, a minimum score of seventy (70) percent of the cumulative score of all tests taken during the course is required for passing the course. GRI retake or makeup work must be done within one (1) year of the course. *(9/1988)*
- C. Minimum Standards for Instructors.** Minimum standards for instructors who teach in the Alabama GRI program are as follows: *(1/17/1990)*
1. Each potential instructor shall submit recommendations from three (3) persons who have personally observed the instructor teach;
 2. A resume should be submitted that details the instructor's qualifications for teaching;
 3. The individual applying should have two (2) years of full-time experience in real estate or in their allied specialty;
 4. If the individual is a REALTOR®, he/she must hold any one (1) or more of the designations offered by the Institutes, Societies, and Councils of the National Association of REALTORS®; and
 5. The course requirements for GRI instructors shall be the Instructor Training Institute (ITI) course preparation and course presentation courses or the Real Estate Educators Association (REEA) course preparation and course presentation course. *(7/1/1995)*
- D.** The Education Trustees will propose the AAR instructor compensation schedule to the Financial Committee for approval. *(1/15/1998)*

Section 6.3. Course Co-Sponsorships

- A. Requests to Co-Sponsor.** Societies, institutes, councils, and Local Boards may propose to AAR any course co-sponsorships.
- B. Terms of Co-Sponsorships.** In order to be considered for approval, a co-sponsor must agree to pay at least one-half (1/2) of the deposit, and assume responsibility for at least one-half (1/2) of any loss, should a loss occur. In computing the expenses of a course, the direct AAR costs, including assigned personnel time, newspaper promotional space, and similar costs shall be included. Profit sharing shall be based on the same percentages on which risk-taking is shared.
- C. Designated Liaison.** For purpose of negotiations and arrangements, the President or Executive Officer of each such Board, or the President of each such Institute, Society, or Council chapter shall be the only persons recognized for entering into such agreements. The signature by such official shall be predicated by a statement indicating the individual verifies that he/she is so empowered to act.

D. Local Boards as Sole Sponsor. The Local Boards and State Chapters of Institutes, Societies, and Councils are allowed the option to act as direct provider of continuing education courses (with the privileges and liabilities that are involved), if they so choose. *(6/13/1990)*

A Local Board, as a direct provider of continuing education, would:

1. Work directly with the Real Estate Commission (and would not work through AAR);
2. Not have records of the course kept at AAR; and
3. Assume all liability for the course(s) provided by the Board, Institute, Society, or Council.

Section 6.4. Anti-Trust Education

The Education Trustees shall develop an educational program on an annual basis that shall incorporate anti-trust education as a key element. NAR materials on anti-trust provisions shall be made available through AAR, and Boards are encouraged to use these materials.

Section 6.5. Education Trustees

A. Responsibilities

1. The Education Trustees shall plan and offer a comprehensive program of educational services for the Members of the Association. The Trustees shall submit a plan of offerings and proposed budget for approval to the Financial Committee, the Executive Committee, and the Board of Directors. There shall be separate accounting for the education system;
2. The Education Trustees shall be responsible for development of any educational offerings (continuing education or otherwise) for the major meetings of the Alabama Association of REALTORS® each year. They shall also be responsible for review of and recommendation of speakers for these offerings; *(1/20/05)* and
3. The timetable for their final report to the appropriate committee/staff person is as follows: *(1/20/2005)*

Capitol Conference	September 30 th of year prior
Annual Convention	February 28 th of same year

B. Composition

1. The Education Trustees shall be comprised of fifteen (15) Trustees;
2. The President annually shall appoint five (5) Trustees for three-year terms, and no Trustee shall serve more than two (2) full terms consecutively;
3. At least one (1) member shall be appointed from each region, and no one region shall have a majority of the Trustees;
4. The President-Elect, in consultation with the Treasurer, annually shall appoint the Chair and Vice Chair of the Trustees;
5. All appointments shall be subject to the approval by the Board of Directors, and shall continue at the pleasure of the Executive Committee; *(6/10/1992)* and
6. The Information and Member Services Committee Chair each year shall be an ex-officio liaison to the Education Trustees. *(6/10/1992)*

SECTION 7 FINANCIAL POLICIES AND PROCEDURES

Section 7.1. Dues

A. Regular Dues Amounts *(9/19/2007)*

The following is the schedule of dues:

1. Designated REALTORS®: \$170 per annum plus an amount equal to \$170 for each non-member salesperson in office;
2. REALTORS®, REALTOR-ASSOCIATES®: \$170 per annum; and
3. Affiliates: Each affiliate firm (at a primary mailing address) will pay State dues of \$170 per annum and local dues annually through their primary Local Association. When joining additional Local Associations, the same firm shall pay Local Association dues only with the option of paying State dues and designating an additional contact and mailing address.

[NOTE: There is, for the membership years 2017-2021, a special assessment of \$36 per year on all classes of members in addition to the regular dues amounts listed above.]

B. Member Processing Fee

1. There is levied on each new REALTOR® Member of the Association a Membership Processing Fee of \$100.00. *(9/16/2011)*
2. There shall be added to the total dues owed by the Member Boards/Associations or other Members a \$100.00 processing fee where such delinquency extends beyond seventy-five (75) days of January 1. *(6/13/2012)*

C. Timely Remittance. Each Member Board is expected to remit dues and new Member cards on a timely basis by transmitting a statement at least monthly showing what, if any, activity has occurred in the preceding period.

D. No Refund Policy. All dues paid are non-refundable. *(6/29/2011)*

Section 7.2. Contracting and Purchasing *(10/2/2013)*

A. No Conflict of Interest. No officer or employee of the Association shall have any direct or indirect interest in the contracting or purchasing of any good, service, or product. *(8/23/1990)*

B. Negotiation of Contracts. The negotiation and execution of contracts shall be vested in the Chief Executive Officer. Only such contracts as are authorized by the budget, the Board of Directors, and/or Executive Committee shall be entered into. *(8/23/1990)*

Section 7.3. Investments and Disbursements *(1/21/2010)*

A. For the purpose of managing investment risk, and to optimize investment returns within acceptable risk parameters while maintaining some liquidity, the funds held will be divided into three (3) separate investment pools. The process for determining the dollar amount in each pool is set forth by the Investment Advisory Group. The investment pools shall be called the “Operating Fund”, the “Operating Reserves”, and the “Long-Term Fund”. All funds of the Association, with the exception of the Operating Fund, may be combined for optimizing investment objectives.

1. **Operating Fund.** The purpose of the Operating Fund is to provide sufficient cash to meet the financial obligations of AAR in a timely manner. The maturities on funds shall be limited to one (1) year or less. Such accounts include:
 - a. Checking accounts in U.S. federally insured banks and savings and loans not to exceed federally insured amounts;
 - b. Money market funds that invest in U.S. Government backed securities;

- c. Federally-insured certificates of deposit not to exceed the federally insured limit per account; (1/21/2010)
 - d. Direct obligations of the U.S. Government, its agencies, and instrumentalities; and
 - e. Repurchase agreements in conjunction with bank sweep accounts collateralized by U.S. Government obligations.
- 2. Operating Reserves.** The purpose of the Operating Reserves is to provide approximately nine (9) months of operating reserves to meet expenses of AAR in the event of a significant budget shortfall, to meet the expenses occurring as the result of unanticipated activities, to improve the return on funds held for expenditure over the next one (1) to five (5) years, and to manage investment risk. The weighted average maturities on funds may be five (5) years or less. Such accounts include:
- a. Checking accounts in U.S. federally insured banks and savings and loans not to exceed federally insured amounts;
 - b. Money market funds that invest in U.S. Government backed securities;
 - c. Federally-insured certificates of deposit not to exceed the federally insured limit per account; (1/21/2010)
 - d. Direct obligations of the U.S. Government, its agencies, and instrumentalities;
 - e. Repurchase agreements in conjunction with bank sweep accounts collateralized by U.S. Government obligations;
 - f. Commercial paper rated A-1/P-1 by Standard & Poor's and Moody's; and
 - g. Corporate notes with a minimum rating of investment grade by one (1) rating service.
- 3. Long Term Funds.** The purpose of the Long-Term Fund is as follows: to set aside funds for capital improvements and legal expenses, to meet the expenses occurring as the result of unanticipated activities, and to improve the return on funds held for expenditure over the next five (5) or more years. The weighted average maturities on funds may be five (5) or more years. Such accounts include:
- a. Money market funds that invest in U.S. Government backed securities;
 - b. Federally-insured certificates of deposit not to exceed the federally insured limit per account; (1/21/2010)
 - c. Direct obligations of the U.S. Government, its agencies, and instrumentalities;
 - d. Repurchase agreements in conjunction with bank sweep accounts collateralized by U.S. Government obligations;
 - e. Commercial paper rated A-1/P-1 by Standard & Poor's and Moody's; and
 - f. Corporate notes with a minimum rating of investment grade by one (1) rating service.

B. Disbursements (10/19/2004)

Disbursements shall be made by checks signed by the Chief Executive Officer, and one (1) of two (2) designees as authorized by the Executive Committee, or any two (2) of them. No check will be issued except in emergency situations, with less than two (2) signatures. Payroll checks shall require only the signature of the Chief Executive Officer or his designee, as authorized by the Executive Committee. The transfer of monies within a fund shall be performed by the Chief Executive Officer or his designee. No funds for petty cash at convention/meetings, travel advances, or for any reason shall be made payable to "cash." Checks will be made payable to an individual, who will then be responsible for a full and complete accounting within seven (7) days of the meeting, convention, etc. At no time will anyone be authorized to use a facsimile signature, nor will he/she be authorized to sign in the place of any of the signatories. All bank accounts will be approved in advance by the Executive Committee of the Alabama Association of REALTORS®.

Section 7.4. Travel Policy (10/2/2013)

A. Officer and Employee Reimbursement

The Association shall budget the following necessary and reasonable travel expenses of its officers and employees:

1. The President and spouse/significant other

- a. Transportation, lodging, and food expenses for all National and State sponsored meetings shall be covered for the President and spouse/significant other;

- b. Registration fees and applicable tickets for National and State meetings shall be budgeted and reserved by Alabama REALTORS® staff;
 - c. Travel expenses associated with various duties required by this office shall be covered; and
 - d. Eligible travel expenses must be provided in the annual budget or otherwise approved in advance in accordance with the Association's financial policies. The President's food allowance may be used, but not increased, to cover appropriate travel expenses incurred by the spouse or guest.
- 2. The President-Elect and spouse/significant other**
- a. Transportation, lodging, and food expenses for all National and State sponsored meetings shall be covered for the President-Elect and spouse/significant other;
 - b. Registration fees and applicable tickets for National and State meetings shall be budgeted and reserved by Alabama REALTORS® staff;
 - c. Travel expenses associated with various duties required by this office shall be covered; and
 - d. Eligible travel expenses must be provided in the annual budget or otherwise approved in advance in accordance with the Association's financial policies. The President-Elect's food allowance may be used, but not increased, to cover appropriate travel expenses incurred by the spouse or guest.
- 3. Immediate Past President**
- a. Transportation, lodging, and food expenses for all State sponsored meetings shall be covered;
 - b. Registration fees and applicable tickets for State meetings and expenses after the conclusion of the National Convention; *(1/23/14)*
 - c. Travel expenses associated with various duties required by this office shall be covered; and
 - d. Eligible travel expenses must be provided in the annual budget or otherwise approved in advance in accordance with the Association's financial policies. The Immediate Past President's food allowance may be used, but not increased, to cover appropriate travel expenses incurred by the spouse or guest.
- 4. Treasurer and Secretary**
- a. Transportation, lodging, and food expenses for all National and State sponsored meetings shall be covered for the Treasurer and Secretary; *(9/16/2015)*
 - b. Registration fees and applicable tickets for National and State meetings shall be covered;
 - c. Travel expenses associated with various duties required by these offices shall be covered; and
 - d. Eligible travel expenses must be provided in the annual budget or otherwise approved in advance in accordance with the Association's financial policies. *(1/23/14)*
- 5. Regional Vice Presidents**
- a. Regional Vice Presidents shall be reimbursed mileage for State-required meetings and for official Board visits within their region.
- 6. National Directors and Federal Political Coordinators**
- a. National Directors, unless otherwise reimbursed, shall be reimbursed for up to \$2,250.00 per NAR meeting, with receipts being required, provided they attend the NAR Directors meeting in its entirety, and are present at the time of adjournment; and
 - b. Eligible travel allowances for Federal Political Coordinators must be provided in the annual budget or otherwise approved in advance in accordance with the Association's financial policies. *(9/16/2015)*
- 7. The Chief Executive Officer:**
- a. Transportation, lodging, and food expenses for all National and State sponsored meetings shall be covered for the CEO;
 - b. Registration fees and applicable tickets for National and State meetings shall be budgeted and reserved by Alabama REALTORS® staff;
 - c. Travel expenses associated with various duties required by this office shall be covered; and
 - d. Eligible travel expenses must be provided in the annual budget or otherwise approved in advance in accordance with the Association's financial policies.
- 8. Staff**
- The CEO shall submit a budget request during the budgetary process outlining need and appropriate funding necessary for staff attendance at National meetings and education seminars. Transportation, lodging, registration fees, and food expenses for approved travel shall be covered.
- 9. Mileage shall be paid up to the IRS maximum allowable rate for authorized officers, and for employees not otherwise reimbursed or provided transportation. *(6/10/1992)***

B. General Requirements

1. All travel expenses of staff and officers shall be filed on a standard form prescribed by the Chief Executive Officer, with supporting receipts or verified affidavits for lost receipts. No receipt shall be required for taxis, tips, \$5 or less of sundries, or for out-of-state meals less than \$10 (\$5 or less for in-state meals).
2. Unless otherwise specified, requests for reimbursement shall be due within thirty (30) days of the date of the attended meeting. Travel advances must be accounted for within seven (7) days of returning from an approved trip. No travel reimbursement will be made without total, adequate, supporting documentation. Any unaccounted charges within the seven (7)/thirty (30) day period will immediately be added to the employee's W-2 for the year or officer's/National Director's 1099. No reconciliation or supporting documentation will be accepted subsequent to the above named period.
3. Lodging expenses shall include room and tax, no incidentals, and shall not exceed the room rate of a double room at the headquarters' hotel of the meeting.
4. Transportation expenses shall include airfare or mileage to and from the meeting, parking or storage of automobile, taxis, tolls, and tips.
5. Food Allowance. Meals and tips shall be reimbursed for up to the following amounts:
 - a. Association sponsored in-state: \$75.00 per day
 - b. Association sponsored out-of-state: \$100 per day
 - c. Out-of-state (NAR/other): \$140.00 per day
6. In the event that any Member or staff member is covered in more than one area of the Travel Policy or from more than one source, the individual may only receive one (1) reimbursement per trip.
7. All funded REALTORS® are required to notify the Association's President and CEO prior to their inability to attend any required National meetings.

Section 7.5. Accounts and Accounting

A. Interim Reports

For purposes of AAR's Policies and Procedures Manual, "Financial Report" shall be construed to be: Balance Sheet and Income Statement for the General Fund, Building Fund, and Legal Action Fund. The interim financial reports shall be maintained on the accrual basis of accounting, as is the annual report. The CEO and appropriate staff shall complete these reports monthly in a reasonable time to allow proper completion of the current payables, bank reconciliations, etc. *(8/23/1990)*

B. Monthly Report

The CEO shall make a written financial report and membership report on a monthly basis to the President and Treasurer. The Treasurer shall review these monthly reports with the CEO. At each regularly scheduled meeting of the Executive Committee, the CEO and Treasurer shall make available to the Executive Committee current detailed financial information for their review. *(1/11/1996)*

C. Report to the Directors

Each year at the pre-set Board of Directors meetings, a current detailed financial statement shall be provided to the Board of Directors, along with schedules as necessary for further explanation or clarification. *(8/23/1990)*

D. Annual Report

The Audit Task Force of the Association is responsible for overseeing the Annual Audit, assisted by the CEO and appropriate staff. The Audit Task Force shall ensure that the audit is completed in a timely fashion. Notification of the results will be sent to the Board of Directors no later than June 15. The Annual Report shall be addressed to the Board of Directors and presented at the Annual Convention, and be available for inspection by any Member during regular office hours at the AAR offices. *(9/16/2015)*

The auditor's written communication of reportable conditions shall be addressed to the Audit Task Force, with copies furnished to the Executive Committee and CEO. It shall also be the duty of the Audit Task Force to meet with the CPA that conducted the audit at its completion to discuss any problems or weaknesses in the Association's accounting system discovered during the audit, and report such findings to the Executive

Committee. (1/11/1996)

E. Financial Committee

The Financial Committee of the Association shall be made up of the Executive Committee. After the June 30 financial statement has been fully completed, the Financial Committee shall meet for purposes of drawing up a comprehensive budgeting plan of work to enable a complete budget to be presented to the Board of Directors at the Annual Board of Directors meeting. (1/11/1996)

Section 7.6. Operating Reserve

An operating reserve of at least nine (9) months, as recommended by the American Society of Association Executives, shall be established and maintained at such point as current and immediate future obligations are satisfied. (10/19/2004)

Section 7.7. Insurance

The Finance Committee shall annually review property insurance, casualty insurance, and liability insurance on the building and furnishings owned by the Association. (7/3/1991)

Section 7.8. Distribution of Reserves

The Executive Committee, after completion and receipt of the Audited Annual Report, shall designate, at their discretion, any surpluses to be transferred to the various reserve accounts. Such transfers shall be reported along with the Annual Report. (9/19/2008)

SECTION 8 CURRENT LEGISLATIVE POSITIONS

2017 Legislative Agenda

The 2017 Alabama Association of REALTORS® legislative agenda, as proposed by the Governmental and Political Affairs Committee, includes advocating for the renewal of the Alabama Historic Rehabilitation Tax Credit, increasing professionalism in the real estate industry, continuing to fight to protect the Mortgage Interest Deduction, keeping fees off real estate, and defending legislation that threatens the real estate industry.

Governmental and Political Affairs Criteria

One or more of these guidelines must be met for an issue to be considered for a vote by the Governmental and Political Affairs Committee:

1. Does the issue have implications on the AAR mission statement?
2. Does the issue affect the REALTOR® professional financially? Does this impact the profession, transaction, and/or the consumer?
3. Does the issue have broad application to the membership (i.e., residential, commercial, rural, resort, development, etc.)?
4. Is the issue more local than state-wide? If local, can the issue have state-wide application? If more local, is it more appropriate for an issues mobilization request and funding?

Bill Read Process

Definition of High Priority

AAR will draft, prepare and secure sponsors to introduce legislation and actively support bills introduced by others on vital issues that directly affect the welfare and security of the real estate business, and the legislation will be known as REALTOR® Bills. REALTOR® Bills will take precedence over all the other bills. In any given legislative session, High Priority bills should be limited in number. High Priority issues must require an all-out commitment of AAR staff, lobbyists, and Association funds.

Definition of Priority

Priority issues are those that are of importance, although not vital, to the AAR membership. When assisting bills introduced by others, some AAR staff time and Association funds will be expended. These funds will be used in the promotion, passage, and/or defeat of such legislation. The AAR governmental staff and lobbyists will inform legislators, lobbyists, and interested parties of the AAR position. In some cases, AAR staff and lobbyists may offer suggestions to protect the AAR position. If significant changes impacting real estate occur during the legislative session, a Priority bill could quickly escalate to High Priority. In the event an issue escalates in importance, the AAR governmental affairs staff and lobbyists will make decisions and take action in accordance with AAR's policies and guidelines.

Definition of Monitoring

Monitored bills are those bills that could negatively or positively affect the welfare or security of the real estate business. While bills are in a Monitoring position, the bills will not require any action or expense. If significant changes impacting real estate occur during the legislative session, a Monitoring bill could quickly escalate to a Priority or High Priority issue. In the event an issue escalates in importance, the AAR governmental affairs staff and lobbyists will make decisions and take action in accordance with AAR's policies and guidelines.

Conversion of Status

It is expressly understood that the legislative session is a fluid and fast-paced process. During the session, if an issue escalates in importance impacting AAR interests, AAR governmental staff, leadership, and lobbyists may assess the need to convert an issue to a different status. It is feasible that a Monitoring bill could escalate to a High Priority issue requiring an all-out effort to protect the interest of the AAR membership. In the event AAR's governmental affairs staff and lobbyist assess such a situation, the necessary actions to defend the interests of AAR's membership will be taken. Decisions and action taken will be in accordance with AAR's policies and

guidelines.

If time permits during the legislative session, the full committee will be notified if any new issue arises. Furthermore, when there is a bill status change, the Governmental and Political Affairs Committee will be notified as soon as possible.

Responsibilities of Lobbyists During the Legislative Session

Once the Legislature is in session, lobbyists for AAR (AAR governmental affairs staff and outside lobbyists) should report to the Chair of the Association's Governmental and Political Affairs Committee any bills being considered by the Legislature that would have a positive or negative effect on real estate and AAR.

Upon consultation with the AAR governmental affairs staff and/or lobbyists, the Chair will decide if the bill should be reported to the AAR line officers. The Chair and AAR line officers will determine AAR's position on the proposed legislation.

When making a decision concerning action on a bill, the line officers will consult with the Bill Read Group and seek their input on proposed legislation, if time permits. When the line officers need to take immediate action in a very short time period, the line officers should make a decision based on the experienced recommendations of the AAR governmental affairs staff and lobbyists. Otherwise, the AAR governmental affairs staff and lobbyists make a decision and take action in accordance with AAR's policies and guidelines.

In Alabama, lobbyists are very important to the process of providing information and guidance to both the members of the Association and members of the Legislature. During the legislative session, the AAR governmental affairs staff and the outside lobbyists should be in constant contact with the Chair of the AAR Governmental and Political Affairs Committee.

Legislative Action Process

All members of the AAR Governmental and Political Affairs Committee will be required to complete an Expertise Profile. The Expertise Profile shall consist of background information relating to real estate and political experience. The profile shall ascertain the member's knowledge, experience, areas of expertise, and network of political relationships with elected and/or appointed officials and their staff. The profile will assist in determining those Members who will best serve on the Bill Read Group or task forces, and help in addressing particular issues.

Members on the committee will be required to acknowledge receipt and sign an AAR Ownership Disclosure and Conflict of Interest Policy to affirm their commitment to adhere to the mandates of the AAR Ownership Disclosure and Conflict of Interest Policy.

Prior to the AAR Capitol Conference Governmental Affairs Committee meeting, the AAR Governmental and Political Affairs Chair, Vice Chair, and the AAR Governmental Affairs Director shall jointly identify members for the Bill Read Group. The duty of the Bill Read Group is essential to the effective legislative process. Bill Read Group members need to have expertise for gathering information, discerning issues, awareness of political process, and communication skills to assimilate information. The Bill Read Group may be called upon to give input to the AAR Executive Committee, line officers, Governmental and Political Affairs Chair and Vice Chair, and/or lobbyists concerning legislation filed, likely to be filed, or otherwise a matter of material interest to the Association. The Bill Read Group should meet in some manner as soon as practicable after their appointment.

The Chair of the Governmental and Political Affairs Committee may determine the need to appoint a task force on an issue. Such task forces should meet in some manner as soon as practicable after members are appointed. A task force shall make its findings known to the Chair of the Governmental and Political Affairs Committee and AAR governmental affairs staff.

The Governmental and Political Affairs Committee shall provide the issues and designated position rating of issues (High Priority, Priority, Monitoring). These issues and position ratings may be reviewed and/or changed at

subsequent meetings. Position ratings are based on the perceived impact on Members and AAR's interests.

Since the Governmental and Political Affairs Committee only meets a few times each year, and many different issues may arise or change during a session, it is important to provide opportunities for further guidance to the Association's governmental affairs staff and lobbyists. Between meetings or in the event of new issues or significant events in the Legislature, the Executive Committee may provide AAR governmental affairs staff and lobbyists with guidance. If an urgent issue does not allow time for guidance from the Executive Committee, then the AAR line officers shall provide such guidance. In the absence of the President and/or President-Elect, or necessity of action does not allow time for contact and/or for discussion of the issue, AAR's governmental affairs staff and/or lobbyists are authorized to act on the Association's behalf. The decisions and actions taken by AAR governmental affairs staff and/or lobbyists will be consistent with the Association's beliefs and principles as provided in the AAR mission statement, Constitution, and Bylaws. This legislative procedure applies to High Priority, Priority, Monitoring, and issues addressed during the session.

During such times, AAR's line officers, governmental affairs staff, and lobbyists should consult with task force members for input on pressing legislative issues and matters whenever possible. However, the overriding governing principle of the Association's legislative procedure is to ensure that a decision by an informed and responsible party must be made as soon as possible when necessary. It is understood that action must be taken to protect the welfare and security of the Association, the real estate industry, and private property rights.

The Chair and/or AAR governmental affairs staff may call upon Members to assist with communication to educate other Members, the community, and/or Legislators about the Association's position on issues. This could include the need to speak at a House, Senate, or Public Hearing on an issue where the Member has expertise. Notice to speak may be limited. This face-to-face presence is extremely productive and necessary.

Publications

The AAR Legislative Review Process will be published in the annual AAR Leadership Directory. Regular emails with legislative updates will be sent to Governmental and Political Affairs Committee members and the Executive Committee. Weekly updates will be placed on the Association's website. The Association's membership shall receive email updates on a regular basis.

This thorough and comprehensive approach to legislative reviews will be monitored for any new measures to make the process as efficient as possible in fast-paced legislative climate.

Changes to the Legislative Review Process can be incorporated with the approval of the President of the Association or the Chair or Vice-Chair of the Governmental and Political Affairs Committee in consultation with the Association's governmental affairs staff and lobbyists. It is imperative that REALTORS® stay involved and informed as much as possible. This is a team effort!

SECTION 9 AWARDS

Section 9.1. REALTOR® of the Year Award

The REALTOR® of the Year Award recognizes the REALTOR® who has contributed the most to the real estate profession, to fellow REALTORS®, and to the community-at-large during the career of the nominee.

- A. Eligible Candidates.** Any REALTOR® in good standing with the Alabama Association of REALTORS® may be nominated for State REALTOR® of the Year, except incumbent Presidents of a Local Association/Board and the State President during his/her year of service. *(9/13/2016)*
- B. Nominations.** Each Local Association/Board may nominate one (1) candidate for consideration as the state REALTOR® of the Year. Nomination forms will be provided by AAR to each Local Association/Board. Submitted forms must be signed by either the Local President or the Local Association Executive. *(9/13/2016)*
- C. Selection.** A Committee, comprised of past State REALTORS® of the Year, the most recent REALTOR® of the Year being the chair, will evaluate each candidate based upon an established point scale. The score for each candidate, whose identification will be hidden by the AAR staff liaison, will be submitted to the AAR staff liaison by the second Thursday, following the August 1 nomination deadline. Nominees' final scores are the sum of cumulative percentage points from each category. Therefore, no total score can exceed one-hundred (100) percent. The AAR staff liaison will determine the five (5) nominees receiving the highest scores. Should the score of the nominee with the highest score be equal to twice the score of the next highest score, or higher, then that nominee will become the REALTOR® of the Year. If the first-place nominee does not receive the amount of points to meet these criteria, then the REALTOR® of the Year committee will confer, by means determined by the chair, to select the REALTOR® of the Year from the top five (5) candidates. *(09/23/2009)*
- D. Deadline.** Nominations are due in the AAR office on or before **August 1**.
- E. Awarded.** Annual Convention.

Section 9.2. David D. Roberts Award

The David D. Roberts Award is given in honor of David D. Roberts, Sr., a distinguished Alabama REALTOR® who served as president of NAR in 1985. This award recognizes the member who has been a REALTOR® over a period of at least twenty (20) years and who has contributed greatly to the Alabama Association of REALTORS®, the National Association of REALTORS®, and the REALTOR® Member's Local Board. *(9/11/1998)*

- A. Eligible Candidates.** All REALTORS®, except those who comprise the incumbent AAR Executive Committee, or current local Board nominees for REALTOR® of the Year.
- B. Nominations.** Forms shall be provided by the Alabama Association of REALTORS® to Local Boards.
- C. Selection.** The winner will be chosen by the Awards Selection Task Force, and be ratified by the Executive Committee. *(1/11/1996)*
- D. Deadline.** Nominations must be submitted on the Alabama Association of REALTORS® provided form, and are due in the AAR office on or before **August 1**.
- E. Awarded.** Annual Convention.

Section 9.3. Robert Jemison Award

The Robert Jemison Award is given in honor of Robert Jemison, Jr., the first Alabama REALTOR® to serve as President of NAR in 1926. It recognizes the long and valued Association service of REALTORS® or REALTOR-

ASSOCIATES® for a minimum of fifteen (15) years to the Alabama Association of REALTORS® and their Local Board. (9/5/1997)

- A. Eligible Candidates.** All REALTORS® who have never served as AAR President, President-Elect, Treasurer, or Secretary. Sitting Regional Vice Presidents shall not be eligible during their term in office.
- B. Nominations.** Forms shall be provided by the Alabama Association of REALTORS® to Local Boards.
- C. Selection.** The winner will be chosen by the Awards Selection Task Force. (9/23/2009)
- D. Deadline.** Nominations must be submitted on the Alabama Association of REALTORS® provided form, and are due in the AAR office on or before **August 1**. (1/20/2015)
- E. Awarded.** At an AAR meeting or as decided by the Executive Committee. (1/20/2015)

Section 9.4. Robert C. Meeks ARPAC Award (9/11/1998)

The Robert C. Meeks ARPAC Award is given in honor of Robert C. Meeks, an Alabama REALTOR®, who was ARPAC Chairman twice and led AAR to become one of the most involved and successful Associations in state and federal governmental and political affairs.

It recognizes the Local Board that aggressively defends and promotes REALTOR® legislative interests, reaches and maintains favorable communications with elected officials, and surpasses all others in ARPAC support, as determined by the ARPAC Trustees.

- A. Eligible Boards.** All REALTOR® Boards that demonstrate effective and recognized activity supporting REALTOR® legislative issues and sustain a high level of involvement in governmental affairs, especially in ARPAC fundraising.
- B. Nominations.** Forms provided to local Boards and nominations can be made by any Member, committee, or Local Board.
- C. Selection.** This award will be given to one Board annually. The winner will be chosen by the ARPAC Trustees.
- D. Deadline.** Nominations are due in the AAR office on or before **November 30**.
- E. Awarded.** Capitol Conference

Section 9.5. Alabama REALTOR® Honor Society

The Honor Society recognizes member involvement and achievement at all levels of the REALTOR® organization.

- A. Eligible Candidates.** Any REALTOR® who meets or exceeds the point criteria established on the nomination form issued by the Awards Selection Task Force. (1/11/1996)
- B. Nominations.** Forms shall be provided by the Alabama Association of REALTORS® to Local Boards.
- C. Selection.** The AAR staff liaison for the Awards Selection Task Force will verify the total points on each nomination form. Copies of the forms will then be sent to the Awards Selection Task Force Chair for final approval. (1/11/1996)
- D. Deadline.** Nominations must be submitted on the Alabama Association of REALTORS® provided form and are due in the AAR office on or before **December 31**. (1/20/2015)

- E. **Awarded.** At an Alabama Association of REALTORS® meeting or as decided by the Executive Committee. *(1/20/2015)*
- F. An Alabama Association of REALTORS® Honor Society pin will be awarded to each Association Member who meets or exceeds the point criteria established on the nomination form for three (3) years (does not have to be consecutive years). The pin will be awarded on the third year the member qualifies. The pin will be given one (1) time only. *(1/18/1995)*

Section 9.6. Omega Tau Rho Award

The Omega Tau Rho (OTR) Award recognizes past contributions of REALTORS® to the National Association of REALTORS® and its affiliated institutes, societies, and councils.

- A. **Eligible Candidates.** Officers or directors of the National Association of REALTORS®, including members of the Executive Committee, elected officers of any institute, society, or council, or governors or directors thereof, and Presidents of State Association. Also eligible are staff members of the National Association of REALTORS® with ten (10) years of service, except the CEO, senior vice presidents, comptroller, and general counsel, who are eligible after one (1) year. Candidates may include Local Board/Association Executives who have served continuously for ten (10) years in the same association. Candidates may also be nominated from state REALTORS® of the Year, REALTOR® Emeritus of the National Association, Honorary Members, and Members who have given outstanding service to the National Association of REALTORS® as named by the Executive Committee of the Alabama Association of REALTORS® and approved by the Awards Selection Task Force. *(10/2/2013)*
- B. **Nominations.** Forms shall be provided by the Alabama Association of REALTORS® to Local Boards.
- C. **Selection.** Recipients will be chosen by the Awards Selection Task Force. *(1/11/1996)*
- D. **Deadline.** Nominations must be submitted on the Alabama Association of REALTORS® provided form and are due in the AAR office on or before **August 1**. *(1/20/2015)*
- E. **Awarded.** At an Alabama Association of REALTORS® meeting or as decided by the Executive Committee. *(1/20/2015)*

Section 9.7. REALTOR® Emeritus

REALTOR® Emeritus, which is a Constitutionally authorized award, is bestowed on individuals who have maintained forty (40) cumulative years of membership in the National Association of REALTORS®.

- A. **Nominations.** Local Boards are to complete the online nomination form from the National Association found at REALTOR.org. Notice of the nomination should then be sent to the State Association.
- B. **Selection.** REALTOR® Emeritus status is voted upon by the National Association’s Board of Directors.
- C. **Deadline.** When approved for Emeritus status, the REALTOR® is also enrolled in the Omega Tau Rho honorary fraternity. Thus, to be honored at the State convention, the Emeritus nomination form should be submitted to NAR by their March deadline in order for the NAR Board of Directors to vote on it at its mid-year meeting, with a courtesy copy to be sent to the State Association.
- D. **Recognition.** The REALTOR® Emeritus plaque and 40-year pin are awarded at the Local Board level. The State Association recognizes the Omega Tau Rho status.

Section 9.8. Arthur B. Pope Education Achievement Award *(8/5/1999)*

The Arthur B. Pope Education Achievement Award recognizes a Member for his/her contribution to and participation in education programs and activities. The Board of Directors passed a resolution in June 1984 calling for this annual recognition, and in July 1991 voted to name this award the Arthur B. Pope Education Achievement

Award as a fitting memorial to this past AAR President who so strongly advocated for REALTOR® education.

- A. Qualification.** An established point system that is annually reviewed by the Education Trustees is used to determine a Member's participation in and contribution to real estate education programs and activities. Points will be accumulated from January through December each year. All activities for which points are awarded must occur during this qualification period.

Qualification forms are provided to Local Boards/Associations for distribution.

Qualification forms must be submitted to the Member's Local Board/Association on or before December 15. On or before **December 31**, each Board/Association must submit to AAR the qualification form of their member with the most points. This Member becomes the Local Board/Association's Arthur B. Pope Education Achievement Award nominee. Only one (1) nominee per Local Board/Association will be accepted.

- B. Recognition.** The Education Trustees will name the Local Board/Association nominee with the most points as the recipient. The recipient will be recognized during Capitol Conference each year.

Section 9.9. Manie Barbour Association Executive Professional Excellence Award

The Manie Barbour Association Executive Professional Excellence Award recognizes a REALTOR® Association Executive who has exhibited consistently outstanding service to both the Alabama Association of REALTORS® and to staff members in Alabama's Local Associations over a long period of time. The award is named for Manie Barbour in recognition of her many years as a real estate professional and for distinguishing herself in her service as an Association Executive for the Tuscaloosa Association. This award shall be the highest honor bestowed by AAR on an Association Executive. (1/22/2004)

- A. Eligible Candidates.** Any local REALTOR® Association Executive in the State of Alabama who has served the REALTOR® organization for at least seven (7) years and who has not previously received this award.
- B. Nominations.** Nominations must be made in writing and received by AAR on or before **September 1**. The nomination should be confined to the front of one (1) page and should include the following information on the nominee: name, association, total length of employment, length of employment in current position, qualifications, community service, professional education, specific achievements, participation in REALTOR® organization activities, any other information that should be considered, and the name of the nominating individual.
- C. Selection.** The recipient will be chosen by secret ballot from a vote taken by those present at the fall Association Executive's meeting. The nominee with the majority of votes is the recipient. The votes will be counted, verified, and certified by a person present designated by a majority vote of the attendees. The recipient's name will be kept secret until it is awarded.
- D. Awarded.** This award will be presented at the Capitol Conference.

Section 9.10. Above and Beyond Award

The Above and Beyond Award recognizes the extraordinary efforts of a Member who has devoted countless hours unselfishly on an issue or project for the overall good of the Association and its Members. (9/13/2002)

- A. Eligible Candidates.** Any Member who has gone above and beyond regular volunteer efforts by successfully handling an unusual association project, issue, challenge, etc.
- B. Nominations.** There shall be no nomination process for this award.
- C. Selection.** The Executive Committee will determine when it is appropriate to name a recipient of this award.

D. Awarded. The unique nature of this award precludes how frequently it will be presented. When presented, the award will be presented at the Annual Convention, although circumstances may indicate presentation at another Association meeting. *(09/16/2015)*

Section 9.11. Mickey Phillips' REALTORS® for Children Award

The Mickey Phillips REALTORS® for Children Award recognizes the efforts of a member who has devoted time and resources to unselfishly invest in children through projects or programs focusing on the needs of children.

- A. Eligible Candidates.** All Members who have personally succeeded in making a positive difference in activities focusing on helping children.
- B. Nominations.** Forms shall be provided by the Alabama Association of REALTORS® to Local Boards. The nomination should include the following information on the nominee: name, association, identify the nominee's community service with children, information pertaining to the nominee's community service with children, any additional documentation that should be considered, and the name of the nominating individual.
- C. Selection.** The recipient will be chosen by the Awards Selection Task Force.
- D. Deadline.** Nominations must be submitted on the Alabama Association of REALTORS® provided form and are due in the AAR office on or before **August 1**. *(1/20/2015)*
- E. Awarded.** At an Alabama Association of REALTORS® meeting, or as decided by the Executive Committee. *(1/20/2015)*

Section 9.12. Harriett Isaacson Excellence in Education Award *(6/11/14)*

The Harriett Isaacson Excellence in Education Award recognizes the Member who has been an educator for a minimum of twenty (20) years and is respected within the REALTOR® education community. This award is given in honor of Harriett Isaacson, a true professional who devoted herself to service at the Local, State, and National levels.

- A. Eligible Candidates.** All Members who have provided to the AAR membership a minimum of twenty (20) years as an educator, have provided exceptional AAR and/or NAR committee service over his/her tenure, have retained active status in one or more NAR recognized designations, have an exemplary record of adherence to the Code of Ethics, and have established exemplary, professional, and respected status within the REALTOR® education community.
- B. Nominations.** Nomination forms provided to the Local Boards.
- C. Selection.** The recipient will be chosen by the Awards Selection Task Force.
- D. Deadline.** All nominations are due in the AAR office on or before **August 1**.
- E. Awarded.** Annual Convention.

SECTION 10 INFORMATION AND MEMBER SERVICES

Section 10.1. Partnership Program

The Alabama REALTORS® Partnership Program provides Affiliate Members and vendors access to our Members throughout the year via www.alabamarealtors.com, email, social media, print media, and face time at meetings and events. There are varying partnership investment levels, and each level provides varying benefits. The fees for these partnership levels are set by the Information and Member Services Committee and AAR staff. Member Associations may also participate in the Partnership Program at any level approved by their Boards. *(9/16/2015)*

Section 10.2. AAR Publication Policies and Stylesheets

The Chief Executive Officer shall assign staff management of the editorial and business operations of Association publications, which implement the policy and procedures set forth by the Information and Member Services Committee.