

ALASKA ASSOCIATION OF REALTORS[®], INC.

POLICY AND PROCEDURE MANUAL

A Policy and Procedure Manual (PPM) is one of the stepping-stones to a better-organized Association. Each leader of the Alaska Association of REALTORS[®] (Association) will read and refer upon taking office.

Please remember that this Policy and Procedure Manual (PPM) is to serve as a guideline. There will be times and circumstances when revisions or exceptions must be made.

The policies set forth in this PPM are based on the Bylaws of the Association and are updated as required so that the PPM will reflect as nearly as possible the Association's standard operating procedures.

Anyone involved with the Association, whether as an Officer, Director, Chairman, Committee member, or Board member, is welcome to offer suggestions regarding changes in the operations, which they feel may improve our Association.

Address all correspondence to the attention of the Chief Executive Officer at:

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PRESIDENT

The President shall:

1. Review the National Association of REALTORS® (NAR) Bylaws, Operations Manual, and President's Manual as well as the Association's Bylaws and Policy & Procedure Manual (PPM) at the beginning of their term.
2. Execute the orders of the Association's Board of Directors and enforce NAR's Code of Ethics, the Articles of Incorporation, the bylaws, the rules, policies and regulations approved by the Association's Board of Directors.
3. Recommend to the Board of Directors policies that may be deemed beneficial to the general membership.
4. May serve as an ex officio member of all standing committees and Key Work Groups. The President shall serve as Chairman of the Board of Directors and the Executive Committee as a voting member.
5. Appoint the Chairman of the Standing Committees and Key Works Groups, subject to the approval of the Board of Directors and according to Article VII of the By-laws.
6. Appoint a Parliamentarian for the annual membership meetings.
7. The President shall notify all appointees of their appointment upon their approval.
8. The President may appoint additional committees, forums, presidential advisory groups, and task forces with the approval of the Board of Directors.
9. Accept the responsibilities as designated by the National Association of REALTORS® including attendance at appropriate Governance meetings.
10. Facilitate the appointment of REALTORS® from Alaska to various committees of the National Association of REALTORS® (NAR) to ensure good representation and according to the time schedule of NAR.
11. Prior to the National Convention in November, insure that Alaska has an official voting delegate for the Convention.
12. Be responsible for NAR "Call to Action" responses.
13. Invite, early in their term, a representative from the NAR Leadership Team, the Region 12 Regional Vice President to the State Convention for that year.
14. With the approval of the Board of Directors, at the January Leadership Conference, present a policy and program outline for the administrative year, encompassing the goals of the Association during their term.
13. See that an Officer of the Association at least once a year visits every local board and council and stand ready to assist the various boards and members at large when

problems arise.

14. Be one of the authorized co-signers for all financial accounts, if geographically appropriate.
15. Attend all State, and NAR meetings and conventions.
16. Serve as Chief Association Executive in the event of an absence of the CEO.
17. Plan a January Leadership Conferences in coordination with the CEO.
18. Be responsible for the first action of Association Board meetings which will be the adoption of an Agenda.
19. Be authorized to expend funds for any budgeted line item, upon approved by the Board of Directors.
20. When required, serve as chairman of the Association Chief Executive Officer (CEO) search committee, and will select a sufficient number of members to serve on the committee, will review all resumes with the committee prior to conducting interviews.

PRESIDENT ELECT

The basic responsibilities of this office are that of carrying out any functions designated by the President and being available to assist the President at all times.

The President Elect shall:

1. Review with new members of the Board of Directors and local Association Executives, the Bylaws, PPM of the Association.
2. In the absence or inability of the President to serve, possess all powers and discharge all duties required of that office.
3. Review the Bylaws of the Association as well as the PPM.
4. Coordinate the actions of Association's Standing Committees and Key Work Groups.
5. Serve as liaison to local boards and members at large. Encourage each to point out and maintain an accurate record of its activities during the calendar year.
6. Serve as a member of the Executive Committee.
7. Serve as a member of the Budget and Finance Committee.
8. Attend all State and NAR meetings and conventions.

9. Attend the Board of Directors meetings of the Association as a voting member.
10. Serve as a National Association of REALTORS® (NAR) Director for one year during term as President Elect.
11. Serve as a member of the Chief Executive Officer Search Committee.

VICE PRESIDENT

The Vice President shall:

1. Review the Bylaws and the PPM of the Association.
2. In the absence or inability of the President or President Elect to serve, possess all powers and discharge all duties of that office.
3. Assist in coordinating the actions of State Standing Committees and Key Work Groups (KWGS) as assigned by the President.
4. Be available to assist the President.
5. Attend all state meetings and conventions; and where possible attend NAR meetings.
6. Serve as a member of the Executive Committee.
7. Serve as a member of the Budget and Finance Committee.
8. Attend the Board of Directors meetings of the Association as a voting Member.

SECRETARY/TREASURER

The Secretary/Treasurer shall:

1. Review Bylaws and PPM and prepare revisions when approved by the Board of Directors.
2. Assist the President with correspondence as directed.
3. Oversee and direct all the duties of the Association that are of a fiscal or financial nature.
4. Serve as Chairman of the Budget and Finance Committee during their term of office with the responsibility of submitting a proposed annual budget for the approval of

the board of Directors by the annual Leadership Conference in January.

5. Review all financial reports of the Association and present the reports at the Association Board of Directors meetings and the annual general membership meeting.
6. Be one of the authorized co-signers on the financial accounts.
7. Assist in coordinating the actions of the Standing Committee Chairmen and Key Work Groups, as assigned by the President.
8. Assist the President in reviewing the Bylaws, PPM and long-range goals of the Association.
9. Serve as a member of the Executive Committee.
10. Attend the Board of Directors meetings of the Association as a voting Member.
11. In coordination with the CEO and with the approval of the Executive Committee prepare and deliver recommended budgets to each committee and KWG prior to the January Leadership Conference.

IMMEDIATE PAST PRESIDENT

The Immediate Past President shall:

1. Attend the Board Meetings of the Association as a voting member.
2. Serve as a member of the Executive Committee.
2. Serve as the Credential Committee Chairman.
3. Serve as the Chairman of the Issues Mobilization Committee.
4. At the discretion of the current President, may serve on the Chief Executive Officer Search Committee.

NATIONAL ASSOCIATION OF REALTORS® DIRECTORS

The National Directors shall:

1. Review the Bylaws of NAR and the Association as well as the PPM of the Association.
2. Complete the required procedures to recommend themselves for NAR committee assignments following NAR's required timelines.
3. Attend the two National Association Directors meetings. Failure to attend the required meetings, without a prior approval from the President, shall result in the automatic request for their removal with concurrence of the Board of Directors of the Association.
4. Directors shall submit a report of their activities when requested.
5. Attend the Board of Directors' meetings of the Alaska Association as a voting member.
6. Review required duties of the National Directors as outlined in the NAR Bylaws.

DIRECTORS AND BOARD PRESIDENTS

The Directors Shall:

1. Review with the Bylaws and the PPM of the Association.
2. Assist the President as requested.
3. Act as liaison members of particular assigned Committees or Key Work Groups.
4. In the case of Board Presidents/representatives, give a report of their activities at each meeting of the Board of Directors.
5. They may suggest names from their membership for committee or KWG assignments prior to the January Association Leadership Conference.
6. They serve as liaison between their local board and councils and the Association.
7. Attend the Board of Directors meetings of the Association as a voting Member.

BOARD OF DIRECTORS' COMPLIANCE CODE

Alaska Association of REALTORS® (Association) Board Members and Committee Members will:

- Act in the best interests of, and fulfill their obligations to the Association and its members;
- Act honestly, fairly, ethically and with integrity;
- Conduct themselves in a professional, courteous and respectful manner;
- Comply with all applicable laws, rules and regulations;
- Act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
- Act in a manner to enhance and maintain the reputation of the Alaska Association of REALTORS®;
- When required, maintain confidentiality of information until such time as it is decided that a “public” statement will be made or position taken or when authorized or legally required to disclose such information;
- Not use confidential information acquired in the course of their service to the Association for their personal advantage.
- Disclose potential conflicts of interest as soon as it is known that they may have regarding any matters that may come before the Board and abstain from discussion and voting on any matter in which they have, or may have, a conflict of interest pursuant to the Conflict of Interest Policy adopted by the Board and any future modifications which may be adopted by the Board in the future; and
- Make available to, and share with, fellow member’s information as may be appropriate to ensure proper conduct and sound operation of the Association and its Board of Directors.

A member who has concerns regarding compliance with the Compliance Guidelines should raise those concerns with the Executive Committee, who will determine what action shall be taken to address that concern. In the unlikely event that a waiver of these Guidelines for a member would be in the best interest of the Association, it must be approved by the Executive Committee.

The President and (CEO) shall be the main authorized spokespersons for the Association. The Chairman of the Legislative Key Work Group (KWG) may be an authorized spokesperson when it is required by the duties of that position with the concurrence of the President. No other individuals shall speak for the Association as a whole without prior approval of the President or (CEO).

State Board, Committee and KWG members will annually sign a confirmation that they have read and will comply with this Code.

KEY WORK GROUPS

Each Key Work Group (KWG) member shall review the bylaws and the PPM of the Association at the start of their term.

The Chairman of each Key Work Group shall:

1. As soon as possible, after appointment of the Key Work Group, gather members for their committee from any location throughout the state. Diversification of the location is highly recommended. Chairmen should solicit interest from every Board and local legislative committee in the association. Contacting the Board President and Council Representatives is encouraged.
2. At least fifty percent (50%) of the KWG, Committee or Task Force members shall constitute a quorum.
3. As soon as possible after appointment they shall organize the initial meeting of their KWG for the purpose of reviewing their budget, and developing a program for the coming year.
4. Members of a KWG, committee or task force may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which persons participating in the meeting can hear each other.
5. They must give reasonable notice via electronic and/or phone calls for all meetings to all KGW members, the Association President and CEO to insure a quorum will be present.
6. Notify the CEO in advance of all meetings as to time and location
7. Attend the Board of Directors meetings, when requested, and be prepared to give an oral report of the Work Group's activities; or if unable to attend, submit a written report.
8. Prepare an overall comprehensive report for the January Leadership Conference of the Association stating its current accomplishments and its future goals. Suggest improvements for their KWG and recommend names of members for the future KWG.

**GENERAL INFORMATION FOR ALL COMMITTEES
AND KWGS**

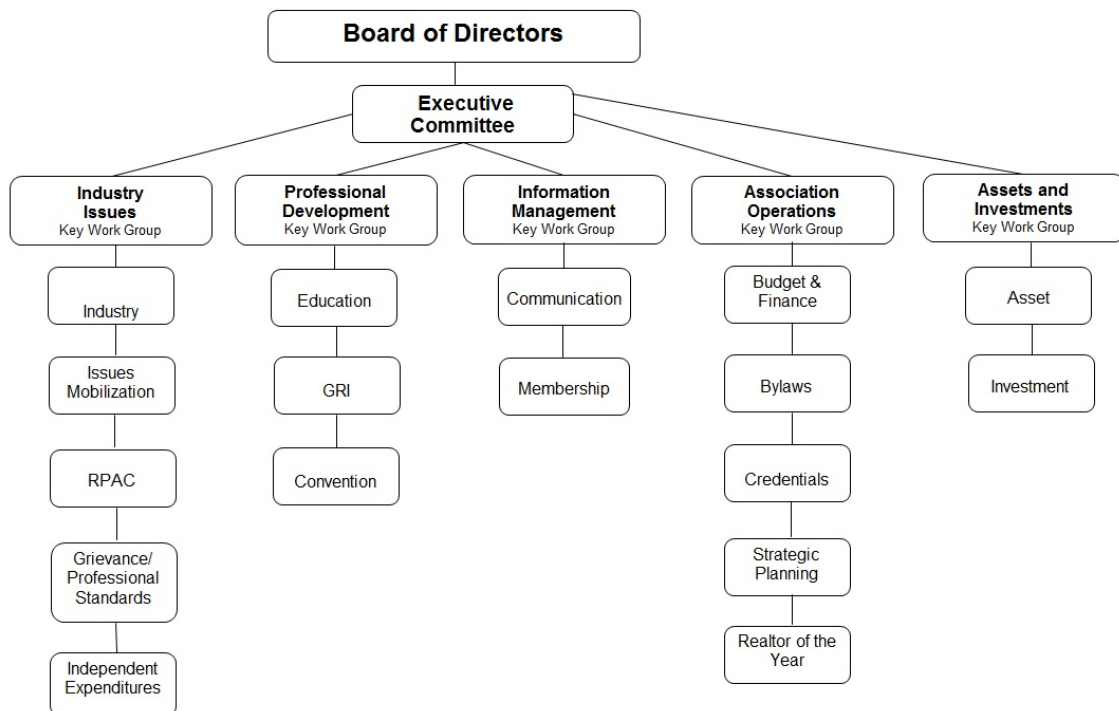
1. All Committees and KWGS shall have a Chairman. Business cannot be conducted without a quorum. At least fifty percent (50%) of the members present shall constitute a quorum.
2. Committees are to meet as soon as possible after appointment for the purpose of reviewing their budget and developing a program for the coming year. The Committee shall suggest changes to their budget as necessary to accomplish objectives in compliance with the approved Association's budget.
3. At their first meeting, review the pertinent actions of previous years in order to provide continuity.
4. Be aware of and take into consideration, at all times, the stated goals and Strategic Plan of the Association.
5. Keep written minutes showing actions taken and the names of members present.
6. Adequate and timely advance notice should be given for all meetings, except in situations when quick action is required.
7. Any chairman absent without a satisfactory excuse from two consecutive meetings, may be replaced at the next meeting of the Association Board of Directors.
8. Alternative means of communication (i.e., phone and conference calls, mailings and emails) should be considered in lieu of frequent meetings.
9. No request for reimbursement will be processed without an invoice presented to the CEO.
10. Chairmen may authorize expenditures within an amount of their approved budgets. Any payment in excess of their budget cannot be made without prior approval of the Board of Directors.
11. All statements of position on policy made shall be approved by the Association Board of Directors or President prior to issuance.

COMMITTEES, KEY WORKING GROUPS (KWGS) AND THE CHIEF EXECUTIVE OFFICER (CEO)

Each may request assistance from the CEO. The following guidelines have been established:

1. Assistance in the form of, word processing, photocopying documents, notification of meetings and other duties may be requested.
2. Any assistance requested must be presented in a timely manner so it can be scheduled with the regular duties of the CEO.
3. Any files, documents, mail or other pertinent information regarding their activities will be placed in the Association office for their use.
4. When requested, the CEO will assist or delegate assistance to compile minutes.
5. Any committee decisions that are made via voting through e-mail or teleconferences must be printed in hard copy or otherwise documented in the appropriate minutes.
6. Member participation via teleconference is will be recognized in the committee's quorum count.

KEY WORK GROUP CHART



INDUSTRY ISSUES KEY WORK GROUP

The purpose of the Industry Issues Key Work Group is:

1. To protect and promote the interests of real property before all legislative bodies. To perform such other duties pertaining to legislation as may be established by the Board of Directors embracing matters on State and National levels. To be watchful of and study State and Federal proposed legislation affecting real estate or those in the real estate profession.
2. To develop and maintain for the Association favorable relations with the State and Federal legislators from Alaska. Educate and encourage boards and members at large to seek and elect people, regardless of political party, to local public offices who reaffirm American principles of individual freedom and property rights; and who will uphold a free, private and competitive enterprise system. Strive to create a community atmosphere, which will be conducive to the election of such people to public office.
3. To study legislative proposals and recommend legislation to be introduced in the legislature affecting real estate, and recommend policy thereof. Study and make recommendations on regulations promulgated by various administrative departments of the State government, such as the Department of Commerce. Follow all proceedings of Interim Committees of the State Legislature.
4. The CEO monitors the statewide Call for Action participation primarily through the REALTOR® Action Center response reports. If there are signs of insufficient participation the CEO will inform the KWG Chairman who will investigate and encourage compliance.

The Industry Issues KWG shall be (1) the current Industry Issues Key Work Group Chairman, (2) Legislative Chairman of each local Board, (3) one additional representative for each 300 member boards or a major fraction thereof above the first 300. The Industry Issues KWG Chairman may appoint additional members as required for local legislative experience and support (4) the appointed liaison to the Alaska Real Estate Commission.

Only the members as indicated above have the authority to vote on issues.

Liaison to the Alaska Real Estate Commission

Duties Include:

1. Attending all of the Alaska Real Estate Commission Meetings
2. Reporting to the Association board of Directors and relevant information regarding the AREC.
3. Submit written reports for the Association publication when requested.

The current Industry Issues Chairman will appoint the liaison and the term will be for one year and may be reappointed or a new appointment made on an annual basis.

Committees the Industry Issues Key Work Group are as follows:

ISSUES MOBILIZATION COMMITTEE

BY-LAWS

ARTICLE I: NAME AND DEFINITION

The name of this committee is the Issues Mobilization Committee, hereinafter referred to as the IMC. It is a voluntary, non-profit Committee of individual REALTORS® and others, and is not affiliated with any political party.

ARTICLE II: PURPOSES

The IMC shall be organized and operated primarily for the purpose of collecting contributions to support or oppose federal, state, and local issues that impact real property and economic growth and development in Alaska. It shall also support grass roots lobbying and education efforts related thereto. Committee funds shall not be used to support candidates or for any other purpose prohibited by federal, state, or local law. The Committee shall be organized and operated according to the statutes of the State of Alaska.

The IMC seeks to improve public policy by encouraging and motivating REALTORS® and others to take a more active and effective part in government decision-making and the legislative process. IMC decisions shall be consistent with the current Association Statement of Policy.

ARTICLE III: CONTRIBUTIONS AND FUND ALLOCATIONS

Section 1. Contributions to the IMC may be made by REALTORS® or by any other persons or entity approved by the Committee.

Section 2. Participation Recognition: Recognition and award programs for contributors may be determined by the IMC.

Section 3. Allocation of Funds: The IMC shall serve as the depository for all funds contributed to or collected in the name of the IMC. All funds collected will be allocated on the following percentage basis.

70% of each dollar received will be used for issues that have statewide significance. The state IMC or other body as designated by the Association shall have authority over the use of state funds.

30% of the funds collected shall be available for community issues. Member Boards may apply for such funds according to the procedures as outlined.

Upon the dissolution of a member Board, any funds remaining in allocation shall be distributed to the state Issues Mobilization account or other depository designated by the Association.

An annual report will be sent to all contributors indicating how contributions to the ~~Issues~~ IMC were spent and the balance of funds available for use on issues advocacy activities. Such reports may be published in the Alaska REALTOR®.

ARTICLE IV: COMMITTEE STRUCTURE

The supervision and control of the activities of the Committee shall be vested in the members of the IMC.

Section 1. Composition: The IMC shall consist of each President of the local Board. The current Association Past President will serve as Chairman.

Section 2. Vacancies: Vacancies on the IMC shall be appointed by the President of AAR, to serve for the remainder of the vacated term.

Section 3. Officers. The officers of the IMC shall be: Chairman and Treasurer. Officers shall be elected by the IMC and shall be from regular voting members of the IMC.

Section 4. Duties. Members of the IMC shall have general supervision and control over the affairs and funds of the IMC, and shall establish and carry out all policies and activities of the IMC. The members shall serve without compensation.

ARTICLE V: MEETINGS

Section 1. Annual Meeting of the IMC: The annual meeting will be held during the annual convention of the Association at a time and place designated by the IMC.

Section 2. Other Meetings: Other meetings may be held as determined by the IMC.

Section 3. Quorum: A majority of members shall constitute a quorum.

Section 4: Roberts Rules of Order, most recent edition, shall govern there.

ARTICLE VI: SUBCOMMITTEES

Section 1. Subcommittees: The IMC may have such subcommittees as it determines necessary and desirable for carrying out its purposes and objectives.

ARTICLE VII: BOOKS, RECORDS, FINANCES, AND ADMINISTRATION

Section 1. Books and Records: The IMC shall keep complete books and records of accounts.

Books and records of accounts may be audited at the direction of the IMC or the governing body of the Association.

Section 2. Fiscal Year: The fiscal year shall be from January 1 - December 31.

Section 3. Deposits: The funds of the IMC shall be deposited to the credit of the Committee in one or more banks or other depositories, or invested in securities which are insured or guaranteed by the federal government, and as permitted under state law. Income generated from invested funds shall be credited to the IMC's account.

ARTICLE VIII: AMENDMENTS

These by-laws may be amended by a majority vote of the members of the IMC, provided the members have received 30 days advance written notice of the substance of such amendments and provided further than such amendments shall be approved by the Board of Directors of the Association.

ALASKA REALTORS® POLITICAL ACTION COMMITTEE TRUSTEES

Bylaws

ARTICLE I: NAME AND DEFINITION

The name of this committee is the Alaska REALTORS® Political Action Committee, hereinafter referred to as ARPAC. It is a committee of the Association.

ARTICLE II: PURPOSE

ARPAC shall be organized and operated exclusively for the purpose of collecting political contributions. as The term "political contributions" is defined in Section 41 (c) (1) (a) (b) (c) (d) (e) of the Internal Revenue Code, including the expenditures of such funds to further the candidacy of individuals for nomination or election to Federal or State office and to do any and all things necessary to accomplish such purpose, all as authorized by the Federal Elections Campaign Act.

ARTICLE III: PARTICIPATION

Section 1. Participants in ARPAC: Any REALTOR® and any other class of persons approved by the Trustees shall be eligible to become a participant by contributing to the ARPAC committee, either directly or through the local board campaign chairman. ARPAC maintains the right to deny participation to any person by refusing to accept that individual's contribution.

Section 2. Participants in ARPAC: Participants shall be classified according to the amount of their contribution to ARPAC as follows: A) \$20 annually, active participant B) \$99 annually, Salmon level participant C) \$250 annually, Caribou level participant D) \$500 annually, Bear level participant E) \$1,000 annually, Eagle level participant.

Section 3. Major Investor Contribution Levels: Participants shall be classified according to the amount of their contribution to National RPAC as follows: A) Sterling R -\$1,000, B) Crystal R- \$2,500 and \$1,500 to sustain, C) Golden R - \$5,000 and \$2,000 to sustain, D) Platinum R- \$10,000 and \$5,000 to sustain, E) Hall of Fame - \$25,000 accumulative contribution to RPAC, F) President's Circle - \$2,000 to be paid separately and directly to select RPAC recommended candidates.

Section 4. Annual Participation Awards: The Trustees will recognize and award traveling plaques to local boards in the following categories; A) Highest percentage over goal; B) most improved board; C) Highest participation per board. The plaques will be presented at the annual state convention.

ARTICLE IV: TRUSTEES OF ARPAC

Section 1. Composition: There shall be nine-member Board of Trustees appointed by the President-Elect of the Association and confirmed by the Board of Directors for the following year. They serve without compensation. The Trustees shall be appointed to three-year terms, except that the initial trustees appointed in 1981 shall consist of nine persons appointed as follows: 3 Trustees for 3 year terms, 3 Trustees for 2 year terms, 3 Trustees for one year terms. No person shall serve more than two consecutive terms.

Section 2. Ex-Officio Members: The following persons shall be ex-officio members of the Board of Trustees and shall serve without compensation: A) Chairman of Legislative KWG B) The Industry Issues Key Work Group Chairman.

Section 3. Chairman: The ARPAC Chairman shall be designated from the Trustees for a term of two years by the President-Elect of the Association. Other Officers of the committee shall be elected by the Trustees themselves.

Section 4. Duties: The ARPAC Trustees shall have supervision and control over the affairs and funds of the Committee and they shall establish and carry out all policies and activities of the committee.

Section 5. Vacancies: In the event any appointed Trustee shall die or become disabled, be removed, or resign, the President of the Association, with the advice of the remaining Trustees and the concurrence of the Board of Directors of the Association, shall appoint a successor to serve for the remainder of the term of such Trustee.

ARTICLE V: OFFICERS

Section 1. Officers: The Officers of ARPAC shall be the chairman, vice chairman, secretary, and a treasurer.

Section 2. Duties: The duties of the officers shall be such as are usually attached to such offices and such further duties as may be specified from time to time by the Trustees. In addition, A) the chairman shall be an ex-officio member of all sub-committees; he shall preside at the meetings of the Trustees; B) the vice chairman shall preside at the Trustees meeting in the absence of the chairman, or at his request; C) the treasurer and CEO shall be the custodian of the funds of the committee; they shall collect all funds of the Committee in accordance with the instructions of the Trustees; and shall keep full and accurate accounts,

present financial statements, and prepare, sign, and file all reports to governmental authorities required by law, or directed to be filed by the Trustees.

Section 3. The officers and Trustees may utilize assistance in maintaining records and duties of their positions.

ARTICLE VI: MEETINGS

Section 1. Meetings of the Committee: Meetings of the Committee shall be held at such time and places as scheduled by the Chairman or by a majority vote of the Trustees.

Section 2. Quorum: A quorum must be present to conduct business of the Trustees. Five of the Trustees shall constitute a Quorum.

ARTICLE VII: OTHER COMMITTEES

Section 1. Subcommittees: The committee shall have such sub-committees as the Trustees determine are necessary and desirable for carrying out its purposes and objectives. The Chairman and members of such sub-committees shall be appointed by the ARPAC Chairman, subject the approval of the ARPAC Trustees.

ARTICLE VIII: BOOKS, RECORDS AND FINANCES

Section 1. Books and Records: The committee and the CEO shall keep correct and inclusive books and records of accounting in accordance with Federal and State laws. The Committee's books and accounts should be reviewed on an as needed basis.

Section 2. Fiscal Year: The fiscal year of this Committee shall be from January 1 to December 31.

Section 3. Deposits: Funds of the Committee shall be deposited to the committee's credit in such financial institutions or other depositories as selected by the Trustees. All contributions, which are utilized for political purposes shall be placed in segregated accounts and shall not be co-mingled with other funds or assets of the Committee.

Section 4. Committee Contributions and Expenditures: No contribution or expenditures shall be accepted or made on behalf of the Committee when there is a vacancy in either the office of Chairman or Treasurer.

Section 5. Contribution to Political Candidates: Notwithstanding the provisions for a required quorum, no contributions shall be made to any political candidate without the affirmative vote of at least 4 Trustees.

Section 6. Dues Billing - Each local board, members at large and the Association shall include in their dues billing a voluntary contribution in an amount adequate to meet any NAR established goal. This voluntary contribution will be above the line on the dues statement with appropriate disclaimers.

Section 7- The Trustees shall distribute information and communication from NAR and the Association their respective boards and members at large, regarding the value of investing in and the benefits received from investing in RPAC.

ARTICLE IX: AMENDMENT TO BY-LAWS

These Bylaws may be amended by the Trustees subject to the approval of the Board of Directors of the Association.

REALTORS® POLITICAL ACTION COMMITTEE ELECTION STRATEGY

Guidance on Authority, Interviews and Check Presentations

General Information

- ARPAC is governed by Bylaws and Policies that are based on template bylaws and policies mandated by the National Association of REALTORS® (NAR), our ARPAC is governed by Bylaws, but also must comply with NAR policy.
- ARPAC exists to fund and support candidates who are like-minded, who espouse support for the issues that impact REALTORS®' interests.

ARPAC is governed by five key principles:

- It acts only in the interest of our members, and for no other purpose.
- It supports those who actively support REALTOR interests.
- It acts with integrity, deliberateness and consistency at all times.
- It takes calculated risks where we believe we can affect our strategic REALTOR political objectives.
- It's nonpartisan in its approach to supporting/endorsing candidates; however, we also are sensitive to the role of the elected leaders' party affiliation in influencing its ability to achieve our REALTOR political/legislative purposes.

ARPAC is governed by nine (9) Trustees who are Alaska REALTORS®. ARPAC is responsible for fundraising and determining which election races ARPAC will be involved in and at what level of support.

QUESTIONS AND ANSWERS

Q: Who has the authority to decide whom we support in legislative races?

A: ARPAC Bylaws specifically state that one of the main purposes of ARPAC is to support candidates for election to legislative, judicial and executive offices of the State of Alaska, and to provide funds for national political committees. However, ARPAC Trustees consistently seek and value the input of the local board on legislative races in a local board's jurisdiction. That local board input is a major factor (but not the only factor) in determining which legislative candidates ARPAC supports. Other factors that influence ARPAC's decision to support (or not support) a candidate are that candidate's voting record or other

demonstrated support on our issues, the candidate's responses to ARPAC's legislative questionnaire or request for an interview, the viability of the candidate to win election, and (for incumbents) key legislative committee appointments held by a candidate. Ultimately, the ARPAC Trustees weigh a number of factors in determining our support for a candidate, and have sole authority for determining support for candidates for legislative, judicial and executive offices in Alaska.

Q: What is the local board's role in legislative races?

A: For any legislative race, we value and encourage the input of the local boards. In regards to where the incumbent has shown strong support for REALTOR® issues (i.e., voting record, sponsoring our legislation, speaking in favor of our position on the House or Senate floor), the Trustees as a rule will support that candidate without seeking input from local boards. These are usually clear-cut decisions. We support those who have supported us.

However, there are at least three circumstances in which the ARPAC Trustees may specifically ask the local board to conduct interviews of candidates in a race and inform us:

- 1) If the local board thinks ARPAC needs to be involved in that particular race (There ARE some races in which all candidates might be objectionable, and the recommendation would be no involvement from ARPAC). AND;
- 2) Which candidate the local board believes is best for real estate (and tell us why).

The three instances in which the local board might be asked to conduct interviews are:

- 1) If it's an open seat; the incumbent is retiring;
- 2) If the incumbent's record of support for our issues is weak, and we want to assess his position on our issues – and that of his challenger(s);
- 3) If the incumbent is not supportive of our issues, and we (or the local board) may perceive that a challenger would better serve our political objectives.

Q: What sort of guidance or assistance should we expect from ARPAC in conducting interviews of legislative candidates?

A: While conducting interviews, ARPAC strongly urges local boards to allow the Alaska Association to brief the local board interviewing committee. Prior to the conducting of the interviews. While conducting interviews with legislative candidates, it's important for committee members to have knowledge of the make-up of the legislative district in question, any interaction any candidates may have had with the Alaska Association in the past (including past voting records, where applicable), and any other "reconnaissance" the Alaska Association may have gathered on the race in question. Especially in races in which ARPAC is asking you to interview an incumbent, it's essential that you allow us to share with your committee our reasons for wanting the interview, and to provide committee members background on the candidate's relationship with the Alaska Association.

Q: What should we ask legislative candidates in the interview?

A: ARPAC will provide each local board with a detailed questionnaire that contains questions on a number of key real estate and business-related issues. We urge you to use that questionnaire for interviews with legislative candidates. Bear in mind, however, the legislative candidate questionnaire is only appropriate for use in interviews with legislative candidates and, should not be used in interviews with local candidates. We encourage you to create your own questionnaire for local candidates, with questions suited for local issues and situations.

Q: Who decides which LOCAL races ARPAC gets involved in?

A: Just as ARPAC has sole authority for determining support for Legislative, judicial and executive offices in Alaska, local boards of REALTORS® have sole authority for determining if they want ARPAC to contribute money in local races (e.g., mayor, assembly, city council, school board, etc.). In fact, ARPAC sets aside 10% of the 70% contributions it receives from each board for use in local races in given year. The entire 10% of contributions is available to the local boards if they reach their annual RPAC goal. If the goal is not reached, they need to submit their requests to the trustees who will determine the contribution amounts.

A local board may request disbursements, as needed, for its political contributions to local candidates (as opposed to Legislative candidates, which are the purview of the state Trustees)...The local boards shall have autonomy in requesting funds for local, city, municipal, and borough elections. No funds will be used for issues. Proof that the funds were, in fact, spent in the above mentioned races should be submitted in writing to the ARPAC Trustees. Local Board funds will be allowed to accrue for a maximum of two years. Any fund remaining and unused after each accrued period ends will revert to the ARPAC.

Q: How exactly do the board's request funds for local candidates?

A: The Bylaws state "local boards must make their requests in the manner prescribed by the Trustees." Currently, ARPAC Trustees ask that any request for support for a local candidate be in writing and include the following information:

- Name of candidate
- Office sought
- The amount or level of support requested
- Reasons why the local board believes the candidate deserves ARPAC support
- An assessment of the candidate's chances of winning
- Dynamics of the races; any other factors that might influence the Trustee's decision

When the state Trustees consider local board requests, they will depend exclusively on the judgment of the local board leaders when it considers local requests. It's not our intention to supersede and deny local board requests. Still, the more information the Trustees have about a local race, the faster they can make a decision to approve.

Other stipulations regarding local races: Disbursements for local races will be applied against available funds for that local board and will be disbursed at the discretion of the ARPAC Trustees based upon the recommendations from the local board.

The CEO is empowered to automatically disburse funds for such local candidates if the local board request is for \$100 or less per candidate per election. The ARPAC Trustees must approve requests for funds over \$100 per candidate per election.

Q: Once ARPAC approves a contribution to a candidate, what happens?

A: Generally speaking, it's important to get a campaign contribution into the candidate's hands as quickly as possible. In most instances, we will send ARPAC contribution checks either to the local board to present or to an ARPAC Trustee in the endorsed candidate's district for presentation. When the presentation of the check is made, we ask that as many local REALTOR leaders as possible be involved to interact with the candidate. (For most legislative contributions an ARPAC contribution check will be sent to the Board in an ARPAC envelope, which will also contain a letter informing the candidate of our endorsement (for

contributions approved for LOCAL races, however, we will not include an endorsement letter; we do suggest that the local board include an endorsement letter of its own in contributions to local candidates. When we send the checks/letters to local boards to present, we'll not seal the envelope, so that the local board leaders may be familiar with the endorsement letter and the amount of the contribution(s) you'll be presenting.

Q: When our local board requests an ARPAC contribution for a candidate, should we specify an amount?

A: It depends. For local races, in which the local board is requesting candidate funding from its 10 percent ARPAC share, you definitely must request a specific amount. However, in legislative races, ARPAC Trustees determine contribution amounts based on a strategy/formula they establish at the beginning of each election cycle. Because candidates DO compare their contributions, it's important that we determine amounts that are congruous and can be justified based on our formula, which takes into account each legislative candidate's influence, committee appointments and demonstrated support on our issues. For example, we would likely contribute more money to the chairman of a key legislative committee (one to which many of our bills are assigned) than we would to a first-term legislator who does not serve on any of our key committees. In such an example, it's easy to justify our rationale to that first-term when he comes to us asking why he received less money than the committee chairman.

Q: What forms can ARPAC support take?

A: In local, legislative and statewide executive office races, ARPAC support can take various forms, depending on the specific candidate and dynamics of each election race. In most instances, at a minimum our support will include either a contribution or an endorsement or both. However, there are circumstances in which a candidate may not need a contribution, but would benefit from our public endorsement. Likewise, there are instances in which we might give a contribution, but not publicly endorse a candidate. There are still other circumstances in which, in lieu of a contribution directly to a candidate, we might choose to make an "independent expenditure" which is, in effect, an in-kind contribution. Examples of independent expenditures include purchasing newspaper or radio advertisements in support of a candidate (but without coordinating the advertisements with the candidate's campaign).

PROFESSIONAL STANDARDS COMMITTEE

This Committee:

1. Advises and makes recommendations to the Board of Directors on matters relating to the Code of Ethics; upon request it advises member boards on Interpretations of the Code, and upon receiving notice of lack of enforcement thereof of member boards assesses the situation. It seeks remedial action and if necessary brings to the attention of the Board of Directors or the proper official of the 'Association any case of failure or refusal to enforce the code.
2. Serves in the capacity of a Professional Standards committee in unresolved disputes between members of different boards where the dispute cannot be resolved by mutual agreement between the two entities.

3. This Committee shall also examine any real estate publicity, advertising and circularizing which seems to be unethical, dishonest or harmful to the Alaska Association's interest or to its members.

The committee should consist of a chairman and members who are in good standing and Who belong to their local boards, state and National Boards, or councils of the Association and represent the state geographically. The committee shall be appointed by the President, with the approval of the Board of Directors. The committee members will select their chairman for a two-year term.

The chairman shall have at least one year's experience on the Committee. Committee members shall serve staggered terms to provide a continuity of knowledgeable service. Appointment shall be for the term of three years or as required to maintain the pattern of staggered service. Members should have had professional standards training and experience and an expressed interest in the objectives of the Committee.

Member boards should be encouraged to give appropriate attention to the subject of Professional Standards in their meetings and programs.

GRIEVANCE COMMITTEE

1. This committee shall be composed of: a Member from each local Board plus a Chairman who has no vote. (The investigating member also has no vote.) In the event a named Grievance committee member cannot be impartial, they will abstain from voting on the particular complaint. The Chairman is selected by the Committee members and serves a two-year term.
2. The terms on the Committee shall be initially: 2 members for 1 year, 2 members for 2 years, 2 members for 3 years.

Professional Standards Procedures For Statewide Hearings

Grievance Procedures

1. The Complainant contacts the local Board or the Association for appropriate paperwork. Complainant submits the completed complaint to the local Board or state association with required fees. Fees will be forwarded to the Association
2. The local Board forwards a copy of the complaint to the Association office. The CEO assigns an investigator to the complaint. The CEO on behalf of the committee will contact the respondent and request a written response. This response will be mailed to the complainant. The Grievance Committee meets to review complaint. If complaint is dismissed, the CEO will send letter notifying all parties.
3. Once the Grievance Committee forwards the complaint to the Professional Standards Committee for a hearing, the CEO will send a letter through the US mail or electronically suggesting a tentative hearing date and a copy of the right to challenge tribunal member's form. When returned to the Association, the CEO will contact tribunal

members to establish the hearing panel. Once the hearing panel is established, the official notice of hearing and hearing procedures will be mailed or emailed to the parties. If possible the hearing will be conducted within the local jurisdiction where the complaint originated.

4. The CEO will arrange airline tickets for the hearing panel if necessary. AAR will mail or email the completed complaint to the hearing panel 10 days prior to the hearing.
5. The CEO will mail or email a copy of the chairman's procedure and the parties nameplates to the hearing Chairman, along with appropriate hearing forms. All tribunal members will be mailed or emailed a copy of the original complaint and the response plus any additional documents that were submitted.

Hearing Procedures:

Panel members will use taxi service for transportation to and from airport/board office.

The Local Board will arrange a room for the hearing, provide tape recorder with tapes, coffee, paper, etc. and assist the panel members as needed. It is the option of local Association Executive whether to attend the hearing.

1. Once the hearing is complete, the local Association Executive will complete the proper hearing forms under the guidance of the Hearing Chairman. The results will be sent to the CEO, than the CEO will mail or email the results to the parties.
2. If the hearing is appealed, the CEO will conduct the appeal process under the guidelines of The National Association of REALTORS®.

All fees will be paid to the Alaska Association of REALTORS®.
Arbitration filing fee is \$300.00 Appeal fee is \$250.00.

The CEO will assist in providing mediation services to members as required by Article IV of the NAR bylaws. The Association may also offer ombudsman services to members and their clients and customers and, if available in the state, may implement a "citation" enforcement policy.

INDEPENDENT EXPENDITURE COMMITTEE

BACKGROUND

In 2012, as part of the mandatory \$40 increase in NAR dues, NAR created a new program to help fund State and Locals with independent expenditures (IE). The NAR State and Local Independent Expenditure Program provides each state with funds that they can use to support candidates for political office who support REALTORS® and the real estate industry.

In 2013, changes were made to the NAR State and Local IE program whereby carryover funding will occur in 2013 and 2014. Previously, any IE funds not spent by the states at the end of 2013 were going to be forfeited.

After reviewing the program and an analysis of the timing of state election, NAR was able to make a recommendation to the NAR Finance Committee for changes to the IE process. As

such, any allocated IE funds not expended by a state in 2013 will roll over into a state's available IE allocation for 2014.

State/local allocation figures indicate that Alaska has \$21,116 solely for IE campaigns. NAR is going to assign a two-year funding cycle to each state that correlates with the state election cycle.

INTERNAL ASSOCIATION FRAMEWORK

Before any consideration is made for any IE campaign, the Association "steering committee" will be the sole group that shall be involved in all decisions to ensure an airtight internal firewall. The State Association and/or Local Board may be in violation of campaign laws if any information is shared with the candidate or the campaign, knowingly or unknowingly. The steering committee will ensure that no staff member or volunteer leader in the association has suggested, cooperated with, consulted, or received a request or suggestion from a candidate, or a candidate's authorized representatives, agents, or campaign personnel, or the candidate's political party, regarding an independent expenditure by the State Association or Local Board in support of the candidate.

The steering committee shall be limited to the following individuals:

1. AAR President
2. AAR President-Elect
3. State Association CEO
4. Industry Issues KWG Chairman
5. State RPAC Trustees

IE PREREQUISITE

Choose your candidate – Does your association want to support someone whom has helped with previous issues? Do you have a REALTOR® who wants to run for public office? The first step is for your association to choose who will make a great candidate to support.

Develop your campaign plan – Once you select your candidate, what can you do to support their election efforts? The NAR Campaign Services Program can help you do things like conduct polling, consider messaging or develop direct mail provide your IE campaign the resources for success.

Design your budget – You have developed your campaign plan, now decide what your budget will be for this independent expenditure campaign. Will your association be contributing funds to the IE, with RPAC money or other funds? You will need to know this to apply for the IE program.

Draft an application program for review by the Steering Committee

Apply for the NAR State and Local IE program

The IE request is considered by the REALTOR® Party Coordinating Committee - The NAR RPCC will consider requests to run an IE. The RPCC will look at the application for the IE, as well as information regarding the race to make a recommendation about supporting your IE.

Run the campaign – If your IE is approved by the RPCC, then begins the implementation of your campaign plan. The NAR Campaign Services Program will help you make sure all the parts of your campaign plan come together to support your candidates who support the real estate industry.

Report on your results – Win or lose, NAR wants your feedback on how the IE Program worked in your area. Your feedback will be an important part of improving the IE program.

PROFESSIONAL DEVELOPMENT KEY WORK GROUP

Committees the Industry Issues Key Work Group are as follows:

EDUCATION COMMITTEE

The purpose of this committee shall be to provide, directly or indirectly, the members of the Alaska Association with an “in-service” education program and allocate some portion of the year’s budget to purchase additional inventory to stimulate an interest in the real estate profession among young people; assist universities and colleges in developing and presenting real estate courses; and encourage and assist local boards’ education committees in their real estate educational programs.

This committee is responsible for recommending to various local boards and members at large the educational offerings that are available through the NAR and the Association.

The committee may develop a Speakers Bureau, which will contain a list of persons available for use by local boards, members at large, colleges and universities.

The committee may assist the Convention Committee in setting up the educational programs for the annual convention.

All members of this committee are to be informed of the educational opportunities of the NAR, and the chairman is to be placed on their distribution list. All Education Chairmen of the local boards and members at large are automatically appointed as members to this committee to ensure good communications and coordination between the local boards, members at large and the Association. A member from each of the various Institutes and Societies and Councils are invited to be members of this committee.

The Education Committee in co-operation with the Institutes, Societies and Chapters shall be responsible for the preparation of an Education calendar.

The calendar will include state-sponsored courses, courses of local boards and members at large and affiliated Societies, Institutes and Councils.

The education calendar should be posted to the Association’s website as soon as information on dates and classes is known. It should be updated when new information is received.

ALASKA GRADUATE REALTOR® INSTITUTE (GRI)

PURPOSE OF INSTITUTE

The purpose of the Institute is to provide a basic fund of knowledge and professional competence of REALTORS® and licensees in the State of Alaska. The Institute is sponsored by the Association to offer a well-rounded program of instruction and practical training in all fields of real estate.

SCHEDULING	Courses for Institute credit shall be scheduled annually. A minimum of ninety hours (90) of accredited courses are required to obtain the designation. Of those 90, twenty hours (20) should be recognized for Alaska continuing education credit.
STUDENT SUPPLIES	Each candidate shall be provided with a catalog of topics, and an annual calendar of offerings. Outline of the topics is to be provided at the class sessions.
TUITION FEE	Tuition fees will be set each year by the Board of Governors.
CREDIT	Students may become candidates by submitting verification of attendance at accredited sessions and payment of the full registration fee to the sponsoring entity.
PROCTORING	A student proctor shall be designated for each course to assist with attendance records and provide assistance as needed by the instructor and/or CEO.
RECIPROCITY	Reciprocity may be granted only to those candidates who have submitted proof of completion of GRI courses to the GRI Board of Governors through the CEO.
INSTRUCTORS	Instructors of courses required by NAR will include content from NAR model outlines as minimum; outlines for other courses shall be developed by the Board of Governors and/or instructors and approved by the Board of Governors prior to advertising the offering for GRI credit.
CRITIQUES	Student critiques shall be completed for each Institute instructor and reviewed by the Governors.
WHO MAY ATTEND	Anyone holding a real estate license in Alaska and/or any active member of another State Association may participate. Individuals in fields related to real estate such as appraising, architecture, banking, construction, legal profession, title companies, etc., and members of college faculties may also attend. A certificate of completion will be granted to those who are not active REALTORS®, but not the GRI designation.

GRI DESIGNATION

- ENTITLEMENT** The primary qualification is that the Graduate of the institute be a REALTOR® in good standing. Entitlement for the designation ceases upon severance of REALTOR® Membership.
- Upon satisfactory completion of each of the three 30-hour course module, and successful completion of the examination for each of the course module, with a grade of 75% or higher on each examination, the designation “Graduate, REALTOR Institute” GRI, will be awarded to members of the Association and/or any active member of a State association. Others will receive a certificate of completion for the particular course module(s).
- PINS AND CERTIFICATES** Graduates of the REALTOR® Institute will be notified electronically of their successful completion and will be informed that their pins and certificates will be sent to them directly. All graduates will be further recognized in the Alaska REALTOR®.
- BROCHURE** A brochure shall be updated annually by the Governors to apprise members of the courses approved for credit and examination offerings.

BY-LAWS OF ALASKA REALTOR® INSTITUTE BOARD OF GOVERNORS

ARTICLE 1: NAME

The name of this committee shall be the Graduate REALTOR® Institute Board of Governors hereinafter referred to as GRI Governors.

ARTICLE II: PURPOSE

The purpose of this committee is to administer the REALTOR® Institute in order to provide an opportunity for REALTORS®, their affiliates and licensees throughout the state to increase their knowledge and professional competence.

ARTICLE III: GOVERNORS

- Section 1. There shall be a nine member Board of Governors, appointed for three year staggered terms of office.
- Section 2. All must be members of the Association. Six must hold the GRI designation; three may come from candidates for the Designation.
- Section 3. Recommendations for appointees may be submitted to the GRI Governors from any member of the Association and may be made orally in writing or electronically directly to the CEO.

Section 4. Appointments will be made by the President of AAR with the concurrence of the Board of Directors and at the recommendation of the existing GRI Governors becoming effective January 1 of each year.

Section 5. In the event any member shall die, become inactive, resign or be removed, the President, at the recommendation of the remaining Governors and with the concurrence of the Association Board of Directors, shall appoint a successor to serve for the remainder of the term.

Section 6. The current President, the Education Chairman, CEO and the immediate past Dean shall be ex-officio members of the Board of Governors.

Section 7. Duties shall be as outlined in the Policy & Procedures of the GRI.

ARTICLE IV: OFFICERS

Section 1. The ARI Governors shall elect from their members a Dean and an Assistant Dean to guide and execute the will of the Board. The Dean shall serve for one year with the Assistant Dean moving up in succession the next year.

Section 2. The Dean shall preside at the meetings of the GRI Governors. In their absence, the Assistant Dean shall preside.

ARTICLE V: MEETINGS AND ATTENDANCE

Section 1. Meetings of the GRI Governors shall be held at a time and place scheduled by the Dean. Meetings may be conducted electronically.

Section 2. Five members shall constitute a quorum. Participation via conference phone is recognized in quorum count.

Section 3. If a member is unexcused for two successive scheduled meetings, that member may be replaced according to the procedure in Article III, Section 5.

ARTICLE VI: RESPONSIBILITIES

Section 1. Collectively it shall be the responsibility of the Board of Governors to execute the following:

1. Review and approve all curriculums within the guidelines of the recommended outline provided by NAR.
2. Develop criteria for and approve all instructors.
3. Prepare Exams when applicable.
4. Grant GRI designations.
5. Adhere to the Policy and Procedures for the consistent presentation of the Institute credit courses.

Section 2. Individually it shall be the responsibility of each Governor to:

1. Be actively involved in their local board and attend local membership meetings.
2. Actively promote Educational Programs with REALTOR® Institute credits at meetings and seminars.
3. Insure that the GRI is covered in each indoctrination class.
4. Communicate with and support the local boards' Education Committees.
5. Be prepared to proctor any REALTOR® Institute test given in their local areas.

6. Attend REALTOR® Institute Board of Governors meetings.

ARTICLE VII REIMBURSEMENTS

GRI Governors may be reimbursed for expenses directly related to the program, including transportation expenses for any out-of-town governors to attend board meetings. Requests for reimbursement must be in writing, be accompanied by receipts and be approved by the GRI Governors.

ARTICLE VIII: AMENDMENTS

Section 1. These by-laws may be amended by the GRI Governors subject to the approval of the Board of Directors of the Association. The amended bylaws will become effective upon approval of the Board of Directors of the Association.

Section 2. The GRI Policy and Procedures may be amended by a majority vote of the GRI Governors.

CONVENTION COMMITTEE

The purpose of the Convention Committee is to plan, organize, and promote the annual AAR Convention. Members of the Committee shall be: Chairman or Co-Chairman selected by the President of the host board and confirmed by the Board of Directors; and other representatives as applicable. The past two Convention Chairman shall be available for consultation when necessary. The CEO shall act as the liaison between the Committee, Sub-Committees and the President.

Suggested Subcommittees:

1. Site Selection

A request for proposals of future convention sites shall be sent to all local boards or members at large by July 1st. The proposals will be submitted to the Board of Directors for approval. All proposals will be evaluated on the basis of economic impact to members and the Association; i.e., transportation costs, facilities, break-even point, etc. The recommended site will be announced at the general membership meeting at the annual convention. For planning purposes, the convention site will be selected two years prior to the year the convention is held.

Members Boards or individual members submitting a proposal to host should forward to the CEO prior to August 15, a letter of interest with dates of the event, and facility specifications, including sleeping, meeting, and banquet rooms for consideration.

It is the intent of the Association to rotate locations of the annual Convention. A board or member at large that might ordinarily be “next in rotation” is not required to host the Association Convention.

2. Budget and Finance

Upon selection of the site and any alternative sites, the Convention Chairman, with the assistance of the CEO shall prepare a proposed budget for approval by the Board of Directors at a meeting prior to the convention.

All Convention monies shall be held by the Association in a designated account. No expenditures will be authorized without approval of the Convention Chairman, and CEO.

Expenses of invited guests (VIP's) for hotel and Convention functions, such as ticketed meals, shall be charged to the convention account.

Registration fees shall be approved by the Board of Directors.

3. Marketing and Registration

The Chairman and members of the Convention Committee, with the assistance of the CEO and any AAR staff, shall develop a Convention marketing plan to promote programs, benefits, and early registration. The Subcommittee will assist in development of a Convention "theme" to be incorporated into the marketing plan.

The Subcommittee may solicit items for convention bags or the like prior to the Convention.

4. Program

The Subcommittee will contact Association members (both REALTORS® and Affiliates) for sponsorships. Sponsorships will be accepted from Member Boards, REALTOR® firms, Affiliate firms.

Acknowledgments of sponsorships for convention events will be-made at the convention through such methods as the convention program, the Association website, etc.

If applicable, the Subcommittee will develop a program for spouses/guests.

The Subcommittee will assist in planning appropriate educational programs for attendees. The CEO can be used as a resource.

The selection of any "outside" guest instructors and speakers will be made by the Chairman, CEO upon a recommendation from the Subcommittee. The CEO can be a resource.

5. Entertainment

The Subcommittee will develop plans for the following events: opening ceremonies, luncheon programs, icebreaker, affiliate night and evening entertainment. The

committee shall coordinate banquet planning, and decorations for all events, when applicable.

Participation in any talent show will be limited to REALTOR® and affiliate members. Participants may not use this forum to promote a particular company or its services. Plans for the Awards Night will be coordinated with the President.

6. Host Board *

The Host Board or member at large may act as an on-site management and coordination entity. Duties may include but not limited to transportation logistics, arrangements for sleeping rooms, meeting space, and banquet facilities.

In addition, it should provide information to the full Committee on local amenities such as sightseeing, points of interest, local restaurants, and shopping.

The host Board, working with the facility chosen for the Convention, should investigate and advise the Committee of local talent and entertainment for social functions.

* The term "HOST BOARD" is intended to include Individual At Large Members of the Association.

Additional responsibilities and policy regarding the Convention:

1. The CEO will assist with registration processing, accounting, payment of authorized expenditures, designing and printing of promotional pieces and the final program, tickets, VIP arrangements, badges, education materials, continuing education credit requirements, scheduling, and miscellaneous detail.
2. Personal escorts will be assigned to each dignitary and spouse/guest until they leave the convention site.
3. The Chairman, CEO shall develop a follow-up survey to be distributed to Convention attendees.
4. When the results of the survey have been tabulated, the Chairman shall hold a meeting with the CEO to review the survey and critique the Convention. A report should be prepared and delivered to the President at the next Association Board meeting. The report will be distributed by the CEO to the next host board.
5. A final financial report on the Convention shall be prepared by the Chairman and CEO for submittal to the Board of Directors.
6. The lost host board/member at large and the Association will share equally any profit made by the convention. Any loss will be the responsibility of the Association.

INFORMATION MANAGEMENT KEY WORK GROUP

Committees under the Professional Development Key Work Group are as follows:

COMMUNICATIONS COMMITTEE

The Communications Committee is composed of two sub-committees, Public Relations and Publications, the purposes and responsibilities of which are as follows:

1. PUBLIC RELATIONS OUTREACH

Outreach with the Public

To communicate to the public the role of REALTORS® and the real estate industry and to create awareness and acceptance of this role:

- a. By demonstrating engagement in three meaningful consumer engagement activities annually reflected by:
 1. Being the “Voice for Real Estate”: Promoting market statistics and/or real estate trends and issues. This can be done through press releases, interviews on MLS statistics, NAR research reports, and state analysis of NAR statistics.
 2. Community Involvement: Promoting the value proposition of using a REALTOR® and/or engaging in community activities which enhance the image of the REALTOR®.
 3. Advocacy Efforts: Engaging the public in legislative/political issues that impact real estate and related issues.
 4. Community Investment: Organizing human resources or fundraising for the benefit of a charitable or community organization.

Public Relations with the Members

Communicate to the members the role of REALTORS® and the real estate industry and create awareness and acceptance of this role.

- a. By increasing desirability of membership in the REALTOR® organization.
- b. By attracting members to leadership roles in local boards or members at large, the Association and NAR.
- c. By ensuring that communications of the Association with members are received and understood.
- d. By creating acceptance and understanding of Professional Standards, Code of Ethics and requirements for professional designations.

- e. By promoting the importance of participating in any NAR conducted effort to assess member understanding of the overall value provide by associations at all three levels of the REALTOR® organization.
- f. By being responsible for relations with media (radio, TV, newspapers) and coordinate programs where publicity is presented to the general public.

2. PUBLICATIONS

The purpose of this sub-committee is to establish guidelines and procedures and oversee the official publications of the Association.

The sub-committee shall, subject to approval of the Association Board of Directors:

- a. Recommend editorial policy.
- b. Set ad rates for publications the Alaska REALTOR®.
- c. Assist with articles, which inform and educate the members.
- d. Develop a proposed budget.

The members of this sub-committee shall be appointed by the Chair of the Key Work Groups. Information Management Key Work Group Chairman.

MEMBERSHIP COMMITTEE

The purpose of this committee is as follows:

1. To increase, maintain and stabilize membership of the Alaska Association; to offer assistance in correcting and improving membership problems of local boards or members at large. Review national association, policy-affecting applications of new members. Study membership classifications, and membership privileges and general jurisdiction.
2. Study and recommend policy to the Association's Board of Directors relating to the building and maintenance of membership in the Association. Study and recommend the long-range plans for membership goals and strategies to meet these goals. Encourage 100% membership of each REALTORS® office.
3. To attend a forum during January Leadership Conference where representatives of local boards and members at large may gather to discuss mutual membership procedures with the CEO.

Develop promotional materials for the information of members that will stress the value of the State and National Association's services and will provide incentive and stimulus to increase the membership.

5. To ensure proper dues reporting and collection, the Association will provide to each local board and council a list of non-member licensees in their area versus Association records. This will be sent at least twice a year by the CEO.
- 6 To identify licensees in limited function referral organizations (LFRO) for the purpose of inviting their participation in political advocacy.
7. Membership committee chairmen from local boards or members at large, affiliated societies and institutes are automatically appointed to membership on the State Membership Committee.

The procedure for election to membership shall be as follows:

An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it.

The application form, to be signed by the applicant, shall contain:

(1) they have had access to, have carefully reviewed, and, if elected a member, will abide by the constitution and Bylaws of the Association, and the constitution, Bylaws and the Code of Ethics of the National Association of REALTORS®.

(2) that the applicant consents that the Board, through its Membership Committee or otherwise, may invite and receive information and comment, about applicant from any member or other person.

(3) that the applicant agrees that any information and comment furnished to the Board or by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel or defamation of character. The applicant shall, with the form of application, have access to a copy of the Association Bylaws, Policies and Procedures and the NAR Code of Ethics referred to above.

The Membership Committee shall determine whether the class of membership for which applicant is applying is one for which they would be eligible if otherwise possessing the qualifications of membership. If it so determines, it shall give written notice to the active members of such application, upon receiving any objection based on lack of qualification as set forth in these Bylaws, the Committee shall invite any objecting member to appear and substantiate his objections. Objections which are not substantiated shall be totally disregarded. The Committee may not find objections substantiated without (1) informing the applicant in advance, in writing, of the objections and identifying the objecting member, and (2) giving the applicant a full opportunity to appear before the Committee and establish his qualifications. The Committee shall thereafter make a written record of its findings.

Thereafter, within 45 days, the Membership Committee shall report its recommendation of the Committee and then vote on their eligibility for membership to the Board of Directors. If applicant receives a majority vote of the Board of Directors, they shall be declared elected to membership and shall be so advised by notice in writing. The Board of Directors may not reject an application without first giving the applicant an opportunity to appear before it to be advised in writing of the findings and recommendations of statements as they deems

relevant.

If the Board of Directors determines that the application should be rejected, it shall record its reasons with the Secretary/Treasurer. If the Board of Directors believes that applicant may resort to legal action because of rejection of their application, it may specify that the rejection shall become effective upon entry in a suit by the Association for a declaratory judgment by a court of competent jurisdiction, of a final judgment declaring the rejection violates no rights of applicant.

ASSOCIATION OPERATIONS KEY WORK GROUP

Committees under the Association Operations Key Work Group are as follows:

BUDGET/FINANCE COMMITTEE

1. The function of this committee is to analyze, with the assistance of the CEO, the current fiscal condition of the Association and after study and deliberations, prepare ~~the~~ proposed annual Association budget including budgets for committees and KWGS for approval of the incoming Board of Directors at the January Leadership Conference.
2. The committee shall attempt to project income and expenses based on past budgets and actual expenditures.
3. The Finance/Budget Committee will review the current year's budget prior to the January Leadership Conference. Recommendations adjustments or changes from the Board of Directors will be taken into consideration by the Committee. The final budget will be approved by the Board of Directors.
4. Members of the Committee shall be the Treasurer, President, President-elect, Vice President, the CEO and after the election of officers at the annual meeting, the Treasurer-elect.
5. The Treasurer shall serve as Chairman of this committee during their term of office with the responsibility of submitting, in December, a proposed annual budget. The CEO will assist the Treasurer in its preparation.
6. The CEO and Finance Committee will be responsible for preparing the proposed budget.
7. The Board of Directors is responsible for guiding the budget process and for the approval of the annual budget.
8. The budgeting process will begin after the annual convention for the following fiscal year. The proposed operating budget will be approved at the next Board of Directors meeting.
9. Once a budget has been approved, the President, along with the CEO is authorized to expend funds for any approved line items within the budgeted amount.

10. In order to present accurate and consistent statements, the revenues and expenses attributable to each period will be reflected in that period.
11. The Association's accountant will determine payroll amounts based on timesheets and authorized rates and will prepare quarterly payroll reports and the annual tax return. The CEO will submit the necessary information to the accountant as requested.
12. The CEO prepares the financial reports and they are reviewed by the Treasurer before being sent to the Board of Directors. The financial statements should be sent in the Board of Directors packet electronically, at least five days prior to the meeting. The Board of Directors will review and accept the financial reports.

Association Revenue Policies

Increase liquid reserves by a minimum of 10% of the annual operating budget; acquire strategic real estate investments; seek out additional revenue sources; have a total liquid reserve of one year of the annual operating budget and one year of other assets. (Goal in the Association's Strategic Plan)

Rent - Rents will be recognized in the period for which the rent is paid. Any rents which are due and not yet paid, will be reviewed monthly to determine if the amounts are collectible and to review what collection actions should be taken.

Association Payment Policies

All invoices must be approved by the CEO for which the expense is incurred.

Approved invoices will be paid within 30 days.

Invoices are paid on the 1st and the 15th of each month.

Copies of all invoices paid will be filed in the Association office. After two years these documents will be archived. They will be kept for four years.

All revenue is deposited once a week by the CEO and the Treasurer is informed of the revenue on a monthly basis.

Asset Capitalization Policies

The general capitalization policy is that all equipment and other fixed assets costing an excess of \$1,000 will be recorded as an asset. To determine if a repair or improvement will need to be capitalized, the following additional factor needs to be considered; does the expenditure extend the useful life of the asset repaired or improved? For example, painting would not be capitalized, but replacing the boiler or repairing the roof would be capitalized, if the dollar value was in excess of \$1,000.

All capital assets will be depreciated over their estimated useful lives. The straight-line basis will be used, with depreciation charged beginning in the month that the asset is placed in service. Some sample estimated lives are:

Computers and related equipment.....	3 years
Office furniture.....	5 years
Building and building improvements.....	40 years
Parking lot and landscaping.....	10 years

BY-LAWS COMMITTEE

Review, periodically, the Association Bylaws in the interest of keeping the Association policy current with modern concepts of organization structure and for the purpose of clarifying the administration of the Association.

Members will be appointed by the Association President and serve during the President’s term.

If needed, the committee shall recommend and properly draft amendments to the Bylaws in accordance with the National Association of REALTORS® (NAR) recommendations and interpretations.

Any recommended changes shall be presented to the Board of Directors in a timely manner to properly notify the active members and to be placed on the agenda of the general membership meeting for approval.

The committee shall make certain that the amended Bylaws are submitted to NAR for their approval.

In addition, this committee reviews the Bylaws of all new boards to verify a consistency with NAR standards.

They shall also work on any laws or constitutional changes, which are requested by other committees and place these in the proper form as to wording, context, etc.

CREDENTIALS COMMITTEE

The Credentials Committee shall be established in accordance with the Association Bylaws, Article VIII, Section 2.

The Credentials Committee Chairman will be the immediate past president of the Association and the members will be the current local board presidents. The next available Past President will serve as Chairman in the absence of the immediate Past President. If a local president is not available, the President-Elect will serve in their place.

The following points should be considered in the certification.

1. Only REALTOR members shall be eligible to hold office, provided, however, that any person holding elective office in the Association shall have been a REALTOR member for at least two (2) years prior to his or her term taking effect on the Association of Directors.

2. All eligible candidates for office must have served as either an Officer or Director for a minimum of one year on the local board and be a member in good standing prior to serving on the Alaska Association of Realtors.
3. Each candidate must have potential to become an officer of the Association. The committee shall verify with each nominee that they plan to attend all state required meetings if elected.
4. Each candidate must complete the application for Directors, Elected Officers and NAR Directors.
5. All applications from candidates must be received by the Credentials Committee 21 days prior to the election.
6. The report of the Credentials Committee shall be distributed to each REALTOR® member electronically no later than 14 days in advance of the annual meeting.

The members of the committee are responsible for seeking candidates for Association positions if the slate is not complete by the application deadline.

STRATEGIC PLANNING COMMITTEE

Committee Composition:

- President and President-elect
- Three current or past state Officers or Directors

Using the Strategic Planning Process of NAR as a model, the committee shall review the strategic plan of the Alaska Association of REALTORS® (Association) annually to:

1. Reaffirm the Mission Statement of the Association
2. Identify issues facing the Association
3. Ascertain new and continuing member needs by:
 - a) soliciting input from committee chairmen member boards and members at large
 - b) utilizing industry surveys wherever possible and conducting specific surveys when necessary.
4. Reassess and prioritize general objectives of the Association
5. Add, amend, or delete strategic recommendations
6. Identify the appropriate committees to implement strategies

The annual planning cycle shall be structured to have any recommendations presented to the Board of Directors for approval at the annual convention.

The strategic recommendations shall be forwarded to the appropriate committee chairman as soon after appointment as possible so that it can be incorporated into the committee plans for the coming year.

The AAR Strategic Planning Committee shall assist member boards, when applicable, with the process and development of strategic plans in their individual jurisdictions.

The chairman of the committee shall have served on the committee at least one year prior to being chairman.

REALTOR® OF THE YEAR COMMITTEE

The purpose of the REALTOR® of the Year program is to recognize an active member of the Association who has provided outstanding service to their profession and their community during that year. The state winner will be recognized nationally at the NATIONAL ASSOCIATION OF REALTORS® annual Meeting and Convention in November.

Selection Procedure

1. The state President shall appoint a REALTOR® of the Year committee of the last five (5) available Alaska REALTORS® of the Years.
2. The local board committees, after choosing their local REALTOR® of the Year shall notify the CEO of their choice electronically prior to August 15, and shall include a nominating form, properly filled in, naming their candidate for Alaska REALTOR® of the YEAR. It is suggested that nominating forms be accompanied by a letter giving a short biography and pointing out the exceptional qualities of their nominee.
3. Individual REALTOR® of the Year nominations may be made by any Association member by sending their nomination form directly to the CEO of the Association. Nominations are encouraged to be submitted on an Association nomination form. All members in good standing shall be considered.
4. Immediately after August 15, the chairman shall convene their committee and they shall elect, by majority vote, the Alaska REALTOR® of the Year for the current year. The selection shall be made from the local board REALTOR® of the Year choices and nominations sent directly to the Association CEO.
5. The current state President and anyone selected as state REALTOR® of the Year in the five preceding years shall be excluded from selection as REALTOR® of the Year.
6. The named recipient of the choice for REALTOR® of the Year shall be kept a secret until it is announced at the state REALTORS® convention. However, the CEO shall immediately notify the Member Services Department of the NATIONAL ASSOCIATION OF REALTORS® of the choice.
7. The CEO shall also immediately order a suitable plaque for presentation at the state convention
8. At the time of trophy presentation, the CEO should have press releases ready to be distributed to state and local news media as applicable, with the recipient's photograph. The CEO will also secure a room for the REALTOR® of the Year at the National Association of REALTORS® Conference where the recipient will be recognized.

SELECTION POINTS FOR REALTOR® OF THE YEAR

The following standards of judgment for selection of REALTOR® of the Year, for local boards and the state committees shall be:

- A. REALTOR® Spirit -- high principles, faithfulness to laws and regulations of Code of Ethics and local boards; furtherance of principles of good real estate practice among other brokers and the general public.
- B. Civic Activity -- local, state and national participation in civic and service clubs, charitable activities, political action, fraternal or religious groups, etc.
- C. Local Board Activity -- board offices and committee work; assignments; seminar activity and education work; membership and offices in local chapters of Institutes, Societies, etc.
- D. Association Activity -- Same as C above, but at an association level; including attendance at the state convention.
- E. NATIONAL ASSOCIATION OF REALTORS® Activity -- same as C, but on the national level.
- F. Business Accomplishments -- recognized good business conduct; service to clients; imaginative and creative advertising programs; rehabilitation work; land utilization, etc.

The past winners of the REALTOR® of the Year for the Alaska Association are:

1961 Gradelle Leigh	1980 Bruce Winton	1999 Don McKenzie
1962 Crocket Metcalf	1981 DeAnn Gleason	2000 Audrey Foldoe
1963 William Poe	1982 Rita Jo Shoultz	2001 Charlie Sandberg
1964 Ralph Foster	1983 Betty Lou Cipra	2002 Bonnie Aulabaugh
1965 Robert Diggins	1984 Robert Arwezon	2003 Ruth Blackwell
1966 Katie Spils	1985 Kenneth R. Brown	2004 PeggyAnn McConnochie
1967 Earl E. Cook	1986 Mark Korting	2005 Dave Feeken
1968 Don Keating	1987 Jeff Cook	2006 Carole Winton
1969 Earl E. Cook	1988 Jim McCourt	2007 Denny Wood
1970 George Zmuda	1989 Ron Moore	2008 Don McKenzie
1971 Jeff Cook	1990 Avalon Rachelle	2009 Dave Somers
1972 Raymond H. Hill	1991 Elouise Schmidt	2010 Janelle Pflieger
1973 Audie Moore	1992 PeggyAnn McConnochie	2011 Janice Strong
1974 David Keating	1993 Dale Price	2012 Helen Jarratt
1975 Helen Butcher	1994 Joan Sheppard	2013 Joni Schneider
1976 Candace Walker	1995 Dave Somers	2014 Michael Droege
1977 Kenneth Gain	1996 Dave Feeken	2015 Paddy Coan
1978 Loretta Sokol	1997 Judy Somers	
1979 Grayce Oakley	1998 Uli Johnson	

ASSETS AND INVESTMENTS KEY WORK GROUP

Committees under the Assets and Investments Key Work Group are as follows

Asset Committee

The Committee is responsible for the property assets of the Association and future acquired properties. The Chairman shall coordinate the leasing of all Association owned properties, collection of rents, supervise maintenance needs and reporting to the CEO. In addition the Chairman shall evaluate the needs and goals of the Association and make recommendations to the Board of Directors with taking into consideration the stated goals in the Strategic plan of the Association.

Current Properties Owed by the Association:

1500 West 42nd – Duplex with two rental units

4201 Minnesota Drive – Vacant Lot

4203 Minnesota Drive – residential house with one rental unit

4205 Minnesota Drive – Association Office and lower rental unit

4207 Minnesota Drive – residential house with one rental unit

Investment Committee

The Committee is responsible for the investments of the Association and those investments shall collectively be referred to as the Portfolio. The chairman of the committee shall evaluate the needs and goals of the Association and make recommendations the Board of Directors for investment opportunities, with taking into consideration that state goals in the Strategic Plan of the Association. The committee shall be the current Association President, the President-elect, the Past-President and Secretary/Treasurer. The Treasurer shall serve as the Chairman.

The Association Investment Portfolio has been established to provide a permanent source of income to be used exclusively and solely for the benefit of the Association.

The Directors are:

- 1.) authorized to retain and hold all types of investments and
- 2.) authorized to invest in investments that bear up to a “moderate risk” with respect to long-term investments.
- 3.) further authorized to invest in securities expected to increase in principal value at the expense of current income.
- 4.) not required to maximize current income at the expense of future growth of the principal of the portfolio assets.
- 5.) Required to no less frequently than annually, the directors shall determine of the total return what amount is income. The amount of income so determined, shall be deducted from a factor for inflation proofing and reinvestment. The remaining net income shall be made available to the Association.

Investment Guidelines

The portfolio shall be invested in real estate, equities (stocks), and cash and equivalents. The Directors have determined that it is in the best interest of the Association to invest a

majority portion of the Association portfolio in private equity real estate. Real Estate investments are intended to enhance the overall investments and safeguarding the risk of the Association and lowering overall volatility while generating a relatively high current return.

The Investment Committee is acting in a fiduciary capacity with respect to the Portfolio, and determines the investment strategies and themes and reviews portfolio additions and deletions. The Investment Committee is responsible for ensuring that the Portfolio's investments are managed consistent with the short term and long term financial goals of the Association. At the same time, they are intended to provide for sufficient investment flexibility in the face of changes in the capital market conditions and in the financial circumstances of the Association.

Portfolio	Target	Target range
Public Real Estate	30%	15% - 50%
Private Real Estate	70%	50% - 85%

Property Types - Private Real Estate. Fund assets may be invested in the following types of private real estate:

- a. office buildings;
- b. retail buildings;
- c. single and multi-family housing;
- d. industrial buildings;
- e. mixed-use buildings (combinations of types listed in a-d, above);
- f. land, located within the market area in which the Fund holds an existing private equity real estate interest, and that is acquired:
 - i. for the purpose of creating or adding to a portfolio of similar properties; or
 - ii. to retain or service the needs of existing tenants;
- g. land purchased for the purpose of granting or entering into a ground lease where the land is improved by a completed and substantially rented building of a type listed in a-e, above.

Excess funds that are not needed on a daily basis will be held in an interest bearing account and transferred to the AAR operating account as needed.

ASSOCIATION POLICIES

DISSOLUTION OF BOARDS

Section 1. A member Board or Council in good standing is one that:

- a. Adheres to the Objects and basic policies of the National Association of REALTORS®;
- b. Remits the national portion of the dues through state to reach the national office by dates designated by the National Association of REALTORS®; and
- c. Has on file:
 - a. an IRS Employer Identification Number (EIN);
 - b. a copy of the annual IRS document filing;
 - c. a copy of the annual Core Standards Certification Statement
 - d. a current officers list.

- e. a current membership list
- f. a copy of current annual audit
- g. a copy of proof of liability insurance
- h. a copy of current bylaws, and;
- d. Meets other criteria as may be prescribed by the Alaska Association of REALTORS®, and National Association of REALTORS®.

Section 2. A member Board or Council wanting to voluntarily dissolve shall adhere to the following policy.

.The Alaska Association of REALTORS® president shall be notified at least ninety (60) days prior to the meeting to vote on dissolution. The notification shall be in the form of a resolution.

The Alaska Association of REALTORS® president shall appoint a representative to work with the association in an attempt to determine if dissolution is the only corrective action available.

The resolution shall be sent to all local association members at least sixty days (60) prior to the meeting to vote on the dissolution.

During the meeting and prior to the vote on the resolution, an Alaska Association of REALTORS® representative may speak to the resolution for a period of time not to exceed thirty minutes (30).

Approval of the dissolution resolution requires a 2/3 positive vote. A quorum must be established. Only those members, whose dues are current, are allowed to vote.

If the dissolution resolution passes, association membership shall be withdrawn by Alaska Association of REALTORS®.

CONFLICT OF INTEREST POLICY

The purpose of the conflict of interest policy is to protect the Alaska Association of REALTORS® interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Association or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit organizations.

Duty to Disclose- In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

Determining Whether a Conflict of Interest Exists - After disclosure of the financial interest and all material facts, and after any discussion with the interested person, they shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

CORPORATE RESOLUTION

Creation and Maintenance of Corporate Resolutions – The Corporate resolution is a written statement made by the board of directors detailing which officers are authorized to act on behalf of the corporation. The corporate resolution will be found in the board minutes detailing decisions made by the board during the meeting. The Board of Directors of the Association is responsible for making major corporate decisions such as dues increases, election of board members or supporting certain legislation. For example, a corporate resolution will be created if a board decides to support a piece of legislation regarding homeownership and private property rights and the details of the legislation and the date of the board meeting will be included in the resolution.

FRAUD AWARENESS & PREVENTION POLICY

This policy applies to any irregularity, or suspected irregularity, involving employees as well as consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with the Alaska Association of REALTORS (Association).

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to the Association. The CEO and the Board of Directors are responsible for the detection and prevention of fraud, misappropriations, and other irregularities. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Each board member will be familiar with the types of improprieties that might occur and be alert for any indication of irregularity. Any irregularity that is detected or suspected must be reported immediately to the CEO, who coordinates all investigations with the AAR Executive Committee and legal counsel if necessary.

WHISTLE BLOWER POLICY

The Association is committed to operating in furtherance of its tax-exempt purposes and in compliance with all applicable laws, rules and regulations, including those concerning accounting and auditing, and prohibits fraudulent practices by any of its board members, officers, employees, or volunteers. This policy outlines a procedure for employees to report any action that an employee reasonably believes violates a law, or regulation or that constitutes fraudulent accounting or other practices. This policy applies to any matter, which is related to the Association's business and does not relate to private acts of an individual not connected to the business of the Association.

If an employee or member of the Association has a reasonable belief that an employee or member, of the Association has engaged in any action that violates any applicable law, or regulation, including those concerning accounting and auditing, or constitutes an EO Executive Officer.

All reports will be followed up promptly, and an investigation conducted by the AAR Executive Committee. In conducting its investigations, the Association will strive to keep the identity of the complaining individual as confidential as possible, while conducting an adequate review and investigation.

RECORD RETENTION POLICY

Type of Record	Recommended Period
• Accident reports and claims	7 years
• Basic corporate documents (includes bylaws, Minutes, articles of incorporation, not-for-profit	
• Recognition letter from IRS, charter, annual financial	
• Operation and sales reports	Permanently
• General correspondence	2 years
• Legal Correspondence	Permanently
• Financial documents such as accounting	
• Journal and ledgers	10 years
• Accounts receivable and credit	
• (not cash) receipts	4 years
• Audits	Permanently
• Billing and cash receipts record	Until federal and state tax clearance
• Cancelled general checks	6 years
• Cancelled payroll checks	3 to 6 years
• Chart of Accounts	Permanently
• Depreciation Schedules	Permanently
• Financial Statements (monthly & quarterly)	2 years
• Paychecks (canceled)	2 years
• Insurance policies (expired)	3 years following expiration
• Other records (claims, and so on)	Permanently
• Legal documents and copyrights	Permanently
• Contracts and leases (expired)	6 years after expiration date
• Deeds	Permanently
• Lawsuits (settled)	6 to 10 years after settlement
• Membership applications	3 years
• Payroll and earning records	4 years
• Payroll register	4 to 6 years
• Pension information	Permanently
• Personnel files	6 years
• Tax Returns	