



Vermont Association of Realtors®

POLICIES
&
PROCEDURES

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SECTION 1

VERMONT ASSOCIATION OF REALTORS® (VAR)

Duties and Responsibilities of the VAR:

Among the duties and responsibilities performed by the VAR are the following:

- A. Coordinate statewide programs and activities with Local Associations.
- B. Provide liaison between Local Associations and NAR.
- C. Establish liaison for Local Associations and their REALTOR® members with Vermont's executive, legislative, judicial and regulatory agencies.
- D. Provide Local Associations and Members with a statewide communication piece containing information relevant to the practice of real estate.
- E. Assist the Vermont Real Estate Commission in its efforts to promote effective licensing and regulatory activity.
- F. Sponsor training for Local Association Officers, State Directors, and Association Executives (AEs) and REALTORS® serving on VAR Committees regarding the responsibilities associated with their respective positions within the organization.
- G. In accordance with the VAR Bylaws host an Annual Meeting to elect Officers and National Directors, report to the membership and receive input from members attending.
- H. Provide pre-licensing and continuing education for real estate licensees and appraisers.
- I. When desired, sponsor an Annual State Conference for educational, business and networking purposes.
- J. Sponsor the State "REALTOR® OF THE YEAR" program to select the State's outstanding REALTOR®.
- K. Provide review and education concerning the laws, rules, regulations and decisions authorized by Congress, the Vermont Legislature, state and federal agencies and commissions and state and federal courts as they relate to the real estate business.
- L. Provide information on policies as set forth by NAR.
- M. Provide relevant real estate industry forms and training relevant to those forms.

SECTION 2

LOCAL ASSOCIATIONS

Duties, Responsibilities and Special Information

1. The Local Association helps REALTORS® work cooperatively and harmoniously together.
2. The Local Association is the front-line service agency for REALTOR® members.
3. The Local Association provides the administration and enforcement of REALTOR® policy.
4. The Local Association provides a headquarters -- a "place" -- for REALTORS® to gather, to discuss, to make plans and to set in motion the plans and policy to which they agree.
5. The Local Association elects its leadership and selects its staff to execute its goals and responsibilities.
6. The Local Association is the guardian of the term REALTOR®. It is responsible for using the term properly, for granting use of the term to members and for ensuring the proper use of the term by the members.
7. The Local Association enforces the NAR Code of Ethics and is responsible for maintaining properly trained committees and members to accomplish this.
8. The Local Association of REALTORS® by virtue of electing its Officers and Directors through the democratic process, by appointing REALTORS® to its Committees, by having membership meetings and by entertaining suggestions and complaints, is the collective voice of all its members.
9. The Local Association provides, through tested and proven service on the Local Association level, an opportunity for service on the State and National levels.

SECTION 3

GOVERNING FRAMEWORK

The governance of the Vermont Association of Realtors® is vested in its Board of Directors. State Directors are elected or appointed by the Local Associations, in accordance, with their local bylaws, for terms commencing January 1 immediately following election. Each Local Association is entitled to at least one Director. In addition, all elected state officers, National Directors and the Immediate Past President of the State Association shall be Directors of the Association with the privileges and rights equivalent to that of any other Director in the Association. It is the responsibility of each Director to bring information back to their Local Association and membership meetings, regarding current State Association initiatives, changes and processes which affect their Local Association and/or membership.

SECTION 4

VAR LEADERSHIP

THE PRESIDENT

Duties, Responsibilities and Special Information

It is the responsibility of the President to become familiar with the strategic plan, the financial plan and the programs of the association. It is their obligation to ensure that the best interests of the VAR REALTOR® member is best served without bias or prejudice towards or against any local association, group or individual member.

Roles and Responsibilities:

The President of the Vermont Association of Realtors® is the presiding officer at all Board of Directors, Executive Committee and President's Council meetings. In this capacity, the President must focus his/her attention on running the meeting in accordance with modified Roberts Rules of Order.

The President appoints the Chairs of all VAR Committees in consultation with the Vice President. The President shall present to the Board for approval at the first Board of Director's meeting all Committee Chair appointments for the ensuing year. The President with the approval of the Board of Directors may create additional task forces as needed. The composition of all VAR Committees can be found in Article VIII of the VAR Bylaws and section 7 of this manual.

Annually, they will serve on the nominating committee of the New England Regional Committee.

The President shall attend and be an active participant at all NAR Meetings (the President serves as a Director to NAR), NERC Meetings and State Conferences, Broker Summits and President Council meetings. The President shall provide reports to the Board of Directors on all National and NERC meetings which he/she attends.

In addition, the President shall attempt to visit every Local Association during his/her term of office.

When the President is unable to accept a Local Association's invitation, other officers or the CEO will attend in his/her place. It is the responsibility of the President to be a communication conduit from the state board to National and Local Associations.

The President serves as the primary spokesperson for VAR on all issues including matters relating to the membership, the real estate industry and private property rights. As VAR spokesperson, the President may utilize the media to bring the positions of VAR to the attention of decision-makers and the general public.

The President may be asked to testify on behalf of the VAR before legislative bodies on matters of timely importance to the membership, the real estate industry and Vermont property owners.

The President, and others he/she may appoint, may meet from time to time with the leadership of allied organizations to discuss problems of mutual interest to the Associations. The President, as chair of the CEO evaluation committee is responsible for the annual Chief Executive Officer's evaluation.

VICE-PRESIDENT

It is the responsibility of the Vice-President to become familiar with the strategic plan, the financial plan and the programs of the association. It is their obligation to ensure that the best interests of the VAR Realtor® member is best served without bias or prejudice towards or against any local association, group or individual member.

The Vice-President is a member of the Board of Directors, the Executive Committee, Co-Chair of the Real Estate Commission Liaison Committee and the President's Council. In addition, the Vice-President shall be involved at all levels of the decision-making process and assist the President in overseeing the affairs of the Association.

The Vice-President is a member of the President's CEO evaluation committee and shall assist the President and Immediate Past President in evaluating the Chief Executive Officer.

In the absence of the President, the Vice-President shall perform the duties of the President. At the direction of the President, the Vice-President shall represent VAR at meetings where such representation is deemed appropriate and necessary.

The Vice-President shall attend the annual NAR Leadership Summit as well as all NAR membership meetings and New England REALTORS® Committee (NERC) meetings. The Vice-President shall succeed to the office of President without further vote of the membership.

TREASURER

It is the responsibility of the Treasurer to serve on the Board of Directors, Executive Committee and as Chair of the Finance Committee. The Treasurer's primary responsibility is to provide oversight of the financial resources of VAR.

The Treasurer, with the assistance of the Finance Committee and staff, shall project the financial needs necessary to accomplish VAR's stated goals and objectives in the form of an annual budget and shall present the same to the Board of Directors for approval. The Treasurer shall monitor actual results of

operations to see that they are meeting the financial needs of VAR. It shall be the role of the Treasurer to present a financial report at every Executive Committee, Board of Directors and General Membership Meeting of VAR.

It is the responsibility of the Treasurer to see that all excess funds of VAR are properly invested within the authority issued by the Board of Directors. The Treasurer is also responsible to see that all required reserves are maintained and that the reserve funds are properly segregated as required. The Investment Task Force will assist the Treasurer as directed.

Annual Budget Procedure

- 1 CEO and the Finance Committee meet and create a budget
- 2 Finance Committee makes recommendation to Executive Committee with a place holder for CEO compensation based on CEO Evaluation Committee's recommendations.
- 3 Finance Committee presents the budget to the Board of Directors no later than August 31.

The Treasurer shall be involved at all levels of the decision-making process and in overseeing the affairs of VAR.

Signing Authority and Financial Approvals

- The President and/or the Corporate Secretary/CEO shall sign all official contracts authorized by the Board of Directors.
- The Board of Directors must authorize all multi-year contracts and/or those exceeding \$ 20,000.
- All invoices will be reviewed and approved by the Chief Executive Officer for payment.
- All checks over \$10,000 will be approved by the Treasurer and require the signatures of two of the following individuals: The Chief Executive Officer, the Senior Staff Member, the VAR President and/or the VAR Treasurer.

IMMEDIATE PAST PRESIDENT

The Immediate Past President shall assist the President as called upon. He/She shall serve as the chair of the Credentials Committee for that year, and serve on the Executive Committee and Board of Directors. He/She will also serve on the NERC Committee and is required to attend the annual NERC Meeting.

NATIONAL DIRECTORS

NAR Directors are elected by the membership of VAR and affirmed by the Board of Directors of NAR. They have an obligation to know the National issues, participate in the debate and explain the issues back home. Additionally, they act as liaison between the matters of state and NAR and are responsible for bringing national concern to the attention of VAR leadership and the membership of VAR.

In order to be a candidate for a National Director position, he/she must have been a Past President of Vermont Association of Realtors®.

All National Directors are voting members of the VAR Board of Directors and understand that attendance at these meetings is a requirement for service.

Each National Director shall attend the NAR National Convention and attend those leadership meetings and others, as needed throughout the year, representing Vermont Association of Realtors®® at these meetings.

National Directors will provide written reports within 5 days of returning from these meetings to the VAR Board of Directors, at the next scheduled VAR Board meeting.

National Directors shall serve no more than 2 consecutive terms.

Each NAR Director is required to attend (be present and participate) at least 3 local association meetings per year.

SECTION 5

BOARD OF DIRECTORS

Duties, Composition and Responsibilities:

As authorized by Article V of the By-Laws, the Board of Directors is responsible for governing the Vermont Association of Realtors®®. Meetings and Attendance requirements are detailed in the Bylaws.

As a member of the VAR's governing body, a Director's major responsibility is to represent the entire membership of VAR.

Staying Well-Informed

Essential to the job as Director, is the ability to keep abreast of the many issues facing VAR. To help keep Directors informed, there are:

- VAR Staff resources.
- Official documents of VAR (i.e. By-Laws, Code of Ethics, Policy Manual, Strategic Plan)

Preparing for the Directors Meeting

The agenda for the Board of Directors Meeting will be distributed prior to each meeting. Early distribution of the agenda and backup material gives Directors the opportunity to review the agenda in advance. Briefs of all action items will be included with the agenda and will include the recommendations of the Executive Committee.

At the Meeting a modified version of the "Roberts' Rules of Order," is the authority governing all VAR meetings except where otherwise provided and when not in conflict with the By-Laws.

Travel Policy – Board of Directors & Membership

1. Insure compliance with minimum IRS requirements.
2. Avoid undue record keeping and reimbursement delays.
3. Travel expenses for the Chief Executive Officer shall be charged to his/her travel account or the appropriate expense account.
4. All budgeted non-employee expense line items establish the Maximum allowance per person, and shall not be interpreted. as an allowance in the aggregate. In the event an Individual incurs

allowable expenses in excess of the amount budgeted for their position, that individual may, prior to the final Leadership Committee meeting of the budget year, petition the VAR Board of Directors for approval of the amount in excess. The BOD in its sole discretion may approve or disapprove the excess amount.

5. Leadership Travel Accounts shall cover travel to all State, Regional and National REALTOR® functions recognized by VAR each funded leader must stay within his or he approved travel budget but may be granted funds from the anticipated excess portions of other leadership travel accounts with the prior approval of the Executive Committee

VAR will not reimburse expenses submitted which are not in compliance with IRS requirements and this VAR Travel Policy. A memo will be attached to your reimbursement check indicating how much was not in compliance with the above. Any amounts for which you feel there are special circumstances may be resubmitted for review by the Finance Committee and the Chief Executive Officer.

REPORTS & DEADLINES: All expenses must be submitted on an approved expense report within 5 days of the completion of travel. Expense reports submitted after 5 days may be approved at the discretion of the Leadership Committee. In no case will any expense be reimbursed more than 60 days after completion of a trip or before the member files his/her written report of the meeting to VAR.

RECEIPTS: Original receipts are required for all expenses greater than or equal to IRS guide lines except that original receipts for lodging and transportation must be submitted regardless of amount.

AIRFARE: You may use your own travel agent or book on-line. Reimbursable airfares are for coach seats only; First Class seats may only be purchased if you personally pay the cost of upgrade. Tickets are to be purchased in advance whenever possible in order to take advantage of reduced airfares. Cancellation fees shall be charged to the individuals travel account.

MILEAGE: Mileage will be reimbursed at the then current IRS rate. Mileage cannot exceed the cost of airfare to the same destination.

PARKING, TOLLS, TAXI and TIPS are reimbursed at actual cost.

LODGING: Lodging is arranged individually, and original receipts must be submitted. Any charges incurred for canceled reservations shall be charged to the individual.

MEALS & ENTERTAINMENT: Meals are reimbursed at actual cost and guest entertainment (along with a statement of purpose) shall be listed on the expense report.

NONREIMBURSABLE EXPENDITURES: Personal entertainment and the purchase of books and magazines are not reimbursable.

The Treasurer shall be responsible for reviewing the travel vouchers for the Chief Executive Officer on a consistent, regular basis.

The Chief Executive Officer shall be responsible for reviewing and approving all out of state travel expenses. All travel expenses shall be budgeted for the individual traveling. The Executive Committee must approve any unbudgeted travel.

Policy Regarding Funding of NAR Committee members:

VAR will not fund

SECTION 6 COMMITTEES

EXECUTIVE COMMITTEE

As authorized by Article V, Section 13 of the By-Laws there shall be an Executive Committee composed of the President (who shall serve as Chair), Vice-President, Treasurer, Immediate Past President, a member from one of the following: Member Engagement Committee, Advocacy Committee or President's Council Chair; and the CEO.

Executive Committee Duties and Responsibilities

1. Recommends to the Board of Directors new policies, changes in policy or rescission of existing VAR policy.
2. Reviews any pertinent Association matters between Board meetings.
3. Advises the CEO on any subject relating to the interests of VAR.
4. Reviews the progress of VAR in implementing VAR's goals and recommend to the Board of Directors any proposals for improvement.
5. The Executive Committee may re-allocate funds within the approved budget without approval of the Board of Directors but is not authorized to expend unbudgeted funds. Only the Board of Directors may appropriate funds. This authority does not include expenditure of funds in reserve/restricted accounts. Any re-allocation of funds must be reported to the full Board of Directors at the next scheduled meeting.
6. The Chief Executive Officer, as Corporate Secretary shall coordinate the work of the Executive Committee.

STANDING COMMITTEES

Finance Committee

Term: Two Years

Appointment: Per Bylaws, Treasurer serves as the Chair and VAR President appoints two VAR Directors.

Size: Three

Mission: To review the monthly financial statements along with the CEO and make recommendations to the Board of Directors regarding the annual budget. In addition, the Finance Committee will manage the financial plan for VAR to include the proper allocation of specific equities into short, medium, and long-term funds and will conduct an annual review of these investments to ensure that the reallocation plan is executed on a timely basis in accordance with established policy.

Government Affairs Committee:

Term: Two Years Appointment:

VAR President

Size: At least one representative nominated by each Local Association President from the Local Association's membership.

Mission: To represent the interests of all REALTORS® at National, State and Local levels of government. Maintain constant communication with members on important issues. Conduct periodic membership surveys to establish issue priorities. The Government Affairs Committee shall prepare and present for approval by the Board of Directors, a comprehensive Government Affairs Strategic Plan, which expresses the position of the association on various legislative and regulatory issues affecting private property rights, real property ownership, land use and the real estate industry in general. The purpose of this Plan is to provide broad policy statements of the association, within which the government affairs committee may be guided when reviewing legislation affecting the real estate industry. This statement shall be prepared and updated to coincide with the biennial sessions of the Vermont Legislature.

Realtor® Party System

RPAC Fundraising Trustees

Term: Two Years

Size: One representative from each Local Association

Mission: To assist VAR in raising RPAC funds from their Local Association members.

RPAC Disbursement Trustees

Term: Perpetual

Size: VAR President, VAR Vice-President, CEO, GAD, GAC Chair, RPAC Major Investor Liaison, RPAC Participation Council Member,

Mission: Track the performance of elected state representatives and shall be in charge of approving and distribution of all RPAC funds.

Real Estate Commission Liaison Project Team:

Term: One Year Appointment: VAR President

Size: Three or more. Vice-President shall serve as Co-Chair.

Mission: The REC Liaison Committee shall attend all Vermont Real Estate Commission meetings and meet in person or electronically on a regular basis throughout the year to discuss any issues of relevance to the VAR membership.

They shall make a report at each Board of Directors meeting.

The REC Liaison Committee may take positions on industry matters and speak for the membership provided positions are consistent with the VAR Strategic Plan. The Board of Directors retains the right to modify or reverse those positions taken. In the event there is not existing policy on a particular issue, it is incumbent on the committee to develop a recommended policy for consideration

Member Engagement Committee

The creation of this committee in 2019, responsibilities and objectives in alignment with the Strategic Plan

AD Hoc Committees/Project Teams/Work Groups

Awards Project Team:

Appointment: Senior Director or alternate Director if available, or Local Association President if the Senior Director is a candidate for Realtor® of the Year that year.

Size: See Appointment Above. Prior Year's ROTY shall serve as Chairperson.

Mission: To select the State REALTOR® of the Year from the pool of local ROTY awardees, and the State Good Neighbor Award.

Bob Arkley Lifetime Achievement Award Task Force:

Appointment: All previous living Bob Arkley award winners plus a chair chosen by the VAR President who has at least twenty years of VAR membership.

Credentials Work Group:

Term: One Year

Appointment: The Senior Director from each Local Association (or another Director if the Local Association's Senior Director is unable or unwilling to serve) with the Immediate Past President of VAR serving as Chair.

Size: One representative from each Local Association plus the Chair.

Mission: To solicit and qualify potential candidates for office and present an annual slate of all eligible candidates to the Board of Directors.

Education Work Group

Appointment: VAR President Size:

Three or more

Mission: To assist the VAR Education Director in determining potential course offerings.

Forms Work Group

Appointment: VAR President Size:

Three or more.

Mission: To review Forms semi-annually to incorporate changes made necessary by the Vermont Real Estate Commission edicts and changes in REALTOR® Standards of Practice. Committee should solicit input from Local Associations, VAR Legal Counsel and the membership.

Governance Work Group

Appointment: VAR President Size:

Three or more

Mission: To review and update VAR Bylaws and Policy and Procedure Manual and recommend changes or additions to the VAR Board of Directors.

SECTION 7

COMMITTEE STRUCTURE AND PROCEDURES

With the exception of the Finance, Credentials, Awards and Real Estate Commission Liaison Committees, all Committee Chairs will be appointed by the President (prior to the President beginning his/her term of office) with notification to the Board of Directors at the first VAR Board meeting of the year. Committee Chairs shall be responsible for presenting all recommendations originating from their

committees to the Board of Directors and shall report back the outcome of all such actions to the committees.

Committee Procedures and Administrative Relationships

Committees generally are policy advisors to the Board of Directors.

When policy and budget allocations have been established by the Board of Directors, the implementation becomes the responsibility of the VAR staff and the respective VAR committees. In interpreting policy, the committee Chairs seek the guidance of the Chief Executive Officer and/or the elected officers of VAR. In the event of the failure of a committee or a member of the VAR staff to execute or to conform to VAR policy, or if a difference of opinion exists as to interpretation of policy, the issue should be brought to the attention of both the President and the Chief Executive Officer by the Chair of the Committee for resolution or submission to the Board of Directors.

CHAIRING A COMMITTEE

Appointment as Chair:

Under the Chair's guidance, the committee will work toward the VAR Strategic Plan.

The Committee Chair:

The Committee Chair is responsible for completing and submitting reports to the VAR Board of Directors at every meeting. Chairs should strive from the beginning to establish and maintain an atmosphere which encourages participation.

LEGAL LIABILITY

VAR, through NAR, carries Errors and Omissions Liability Insurance which provides blanket coverage to protect Officers, Directors and Committee volunteers from litigation that may result from actions taken. To maintain this coverage, Officers and Directors must operate within accepted VAR and NAR policies.

STAFF ASSISTANCE AND RESPONSIBILITIES TO COMMITTEES

VAR staff is assigned to assist committees as directed by the Chief Executive Officer. VAR Staff coordinates activities with Committee Chairs and prepares as necessary for meetings. The Chief Executive Officer is responsible for:

1. Implementing most committee policies and projects.
2. Advising on VAR policies and procedures.
3. Conveying current information.
4. Maintaining files of the official Committee Actions.
5. Providing continuity from year to year.
6. Sending out meeting notices and agendas and copy of minutes to committee members.

Throughout the year the VAR Staff will keep Chairs apprised of progress of the Committee's program and up-to-date on other matters which may be of special interest.

REPORTS TO THE BOARD OF DIRECTORS

Reports submitted to the Board of Directors shall be in writing. Action items requiring approval by the Board of Directors shall be in the form of a written motion. Although a Committee may have passed a motion or recommendation, it does not become official until approved by the Board of Directors. There is also the possibility that it will not be approved.

EXCEPTION: The Government Affairs Committee may take positions on legislative matters and

speak for the membership provided positions are consistent with the Government Affairs Strategic Plan. The Board of Directors retains the right to modify or reverse those positions taken. In the event there is not existing policy on a particular issue, it is incumbent on the committee to develop a recommended policy for consideration.

SECTION 8

MEETINGS

VAR holds its Elections and Annual Membership Meeting during the latter half of the calendar year. The NATIONAL ASSOCIATION OF REALTORS® conducts two regularly scheduled meetings each year: The Midyear Legislative Meetings & Expo and the Annual Convention. In addition to these regularly scheduled meetings, NAR also conducts a Leadership Summit for incoming State and Local Association Presidents and their AEs.

NAR Midyear Legislative Meetings & Expo

NAR conducts its Mid-Year Meetings during May in Washington, D.C.

At the NAR meetings, the Chief Executive Officer, the President and the Vice-President shall meet with the other New England leadership at the NERC luncheon.

NAR Leadership Summit

Each year, the President-Elect of NAR hosts a Leadership Summit and invites the Presidents- Elect and Association Executives of each state and local association. At the Summit, leadership is briefed on NAR leadership goals and is taught REALTOR® organization administrative procedures.

NERC Conference (NAR Region 1)

A New England Realtors Committee (NERC) conference is held annually and is attended by the VAR Leadership.

VAR President's Council

The President's Council is made up of the Local Association Presidents, the VAR President, the VAR Vice-President, and the Chief Executive Officer. The purpose of this Council is to provide the Presidents with a forum to collaborate with their peers and provide a conduit to VAR and NAR. Local Association's Vice-Presidents are encouraged to attend these meetings to become familiar with the current issues prior to the commencement of their term as President.

SECTION 9

VAR MISCELLANEOUS POLICIES

ANNUAL DUES COLLECTION

1. Time Line

June - Letter sent to Principal Broker requesting verification of licensees in office
August 1 - NAR Dues Template sent to Local Associations for distribution
Sept/October - Local Associations send out invoices
November 1 - Annual dues due date
November 2 - Dues are past due and considered late
December 31 - If full dues plus fine are not received by midnight on December 31st, all benefits of VAR membership will cease and the appropriate MLS will be notified by the Local Association.

2. Fines for Late Dues

Dues are late on November 2nd. A \$50 late fee will be assessed by VAR if paid by December 31st. After December 31st, a separate, additional reinstatement fee of \$100 will be assessed by VAR for a total penalty of \$150. Local Associations can also impose their own late fees.

Recommendation:

Because VAR relies on the Local Association's AE's to follow up with late-paying members, the reinstatement fee should be split between VAR and the Local.

INTERNAL COMMUNICATIONS POLICY

Communication between VAR and its membership is essential.

The proper channel for communication between Local Associations and the VAR Board of Directors is through the Local Association Presidents and State Directors. All communications to Local Associations should be directed to the Local Association President and/or the Association Executive (AE).

VAR FORMS

VAR shall not sell REALTOR® forms to non-REALTORS®. Any copyright violations by members of the Association or by a non-member will be strictly enforced. Only the VAR BOD has the authority to license the VAR Forms library.

AFFINITY PROGRAMS

The CEO shall present appropriate affinity programs to the Executive Committee for their approval prior to distribution to the membership.

RPAC & CANDIDATE ENDORSEMENTS

- All candidate contributions from RPAC are requested by the RPAC Disbursement Trustees and must be approved by the Executive Committee, with input from the Local Association of Directors of REALTORS® (via their Government Affairs Committee members) in which the legislative candidate resides.
- All Candidate Endorsement recommendations from the RPAC Disbursement Trustees and/or GAC must be approved by the VAR Board of Directors.
- Local Associations may retain 25% credit of the contributions made from that Local Association to RPAC in Vermont to use in local political or issues campaigns, by entering into an RPAC Sharing Agreement with VAR.

EXTERNAL COMMUNICATIONS

All VAR communications must first be approved for content by the VAR President and/or the Chief Executive Officer. All Local Associations and individual members are advised not to speak for VAR if the issue involves a VAR position. All such inquiries should be directed to the VAR President and/or Chief Executive Officer. Each Local Association should develop its own external communications policy.

It is recommended that in handling reporter interviews every effort be made to keep answers simple and to avoid discussing issues you don't know.

VAR MEMBERSHIP MAILING LIST

VAR will not give out its members' home address or any private member information that VAR has gathered electronically or in any other form to anyone at any time. Business addresses and email addresses will be available to VAR members, affiliates and sponsors.

CHIEF EXECUTIVE OFFICER (CEO) ~ Job Description

The Chief Executive Officer (CEO) shall carry out the policies and conduct the business of the association with the oversight of the President, Board of Directors and the Executive Committee, as described in greater detail below. The CEO shall also perform such additional duties as may be assigned from time to time by the Board and the President. The CEO shall make decisions and act in the best interest of the membership while maintaining transparency with the Board and members. The CEO should advise the Board, work in conjunction with the Board, but does not direct the Board.

The CEO is responsible for developing and maintaining strong relationships with NAR and the Local Associations. The CEO, in addition, shall develop relationships with other associations, bodies and individuals with common interests and objectives in the Real Estate industry. The CEO is expected to have a strong and current knowledge of the Real Estate profession, ensure the legal integrity of VAR and cooperate with Association Legal Counsel.

Responsibilities include but are not limited to:

Strategic Plan:

Coordinate and Implement the Strategic Planning Process for the Board.

- The Plan must be updated at a minimum every two years.
- CEO manages the process including appropriate involvement of the Board and Membership and reports progress at each Board meeting
- The Strategic Plan shall be communicated by the CEO to the membership and the Plan shall operate as a guideline for Board, Staff and relevant committees.

Staff:

Based on the strategic plan and objectives of the organization, establish staff structure for the VAR office.

- Keep the Board apprised of any changes in employment in a timely manner
- Train and supervise all staff in accordance with staff job descriptions.
- Evaluate staff on an annual basis.
- Direct the activities of all staff.
- Provide timely written notification of any staff changes, resignations, or terminations to the Board.
- Review Personnel Manual, at least every two years, to ensure compliance with state and federal laws.

Board of Directors, Bylaws, Policies etc.:

- Provide a detailed report to the Board at each Board meeting as to the activities of the Association including but not limited to the finances of the Association and any possible legal issues facing the Association.
- Assist the Treasurer and manage the finances of VAR, including the preparation of the first draft of the annual budget.
- Provide recommendations for the annual budget based upon Strategic Priorities and detailed projections for the year.

- Operate the Association within the annual budget and the current Strategic Plan.
- Recommend and implement VAR Policies and Procedures.
- Draft changes to the Policy and Procedure Manual are made by the Governance Work Group, reviewed by the Executive Committee and approved by the Board of Directors.
- Analyze trends and conditions that affect the Real Estate industry, and recommend policies and programs to place Vermont Association of Realtors® in the most favorable position possible to respond to and influence these changes.
- Monitor the legal environment as it impacts the Real Estate industry and formulate, recommend and implement policies and programs which place VAR in the best legal posture.

Member Services:

- Supervise an effective program of member services
- Supervise a communication program responsive to the needs of the membership and provide editorial oversight as appropriate. This includes effective internal and external public relations. Serve at the direction of the President as VAR spokesperson on the state of the Association.
- Supervise a member education program which meets both the orientation and licensing needs of new members and the continuing education needs of existing members.
- Direct the activities of the Government Affairs Director and remain informed regarding legislative activities.
- Coordinate and attend all meetings of the General Membership, the Board of Directors, the Executive Committee, conferences and summits. The CEO acts as staff liaison for the President's Council, the Credentials Committee, the Governance Committee, the Investment Committee and the Forms Committee and is responsible for assigning a staff liaison for all other committees.

Local Association:

- Assist, serve, train and cooperate with the Local Association Presidents, AEs, VAR Directors and National Directors. The CEO shall offer to visit each Local Association at least twice a year.
- Assist Local Associations as needed with the annual review of Local Association By-Laws and other governing documents and coordinate NAR approval of these documents.
- Oversee the certification of all Local Associations in accordance of NAR's Core Standards and report to the Board of Directors and NAR regarding the status of this process.

Regional and National:

- Communicate with NAR in regards to VAR By-Laws and governing document changes. Supervise and communicate the Election of State Association officers, the nomination of National Directors and the recommendations of NAR committee appointments.
- Attend all NAR membership meetings and the annual AE Institute.
- Serve as NERC AE and organize the NERC conference in any year that a Vermont REALTOR® serves as Regional Vice-President.
- Support, coordinate and disseminate information of the National RPAC programs on state and local levels.

Facility:

- Responsible for the operation and maintenance of the VAR building, including periodic review of the

building's insurance policies and governing documents. Based on the business needs of the Association, develop and annually update a capital expenditure plan for approval by the Board.

- **CEO Succession**

A policy for CEO succession must include two parts-the process the board will follow to replace a retiring CEO, and a process to continue uninterrupted service in the event of sudden loss of the CEO.

Resigning or Retiring CEO

The process for replacing a resigning or retiring CEO will be as follows:

- The VAR President will determine the exact retirement date of the current CEO.
- The board will determine a specific target date to bring on a new CEO. This target date will be flexible to allow the selected candidate some latitude in the beginning date.
- The Executive Committee will designate an interim CEO to serve for the time between the ending date of the current CEO and the beginning date of the new CEO. Board members are not eligible to serve as the interim CEO.
- The VAR President will nominate a Search Committee of not less than three board members and not more than five board members. If possible, the current CEO will be an ex-officio member of the Search Committee. The VAR President may appoint up to two additional Search Committee members from outside the board such as former board members, community leaders or other persons who would be a valuable resource to the committee. The VAR President will seek board approval of the nominees.
- The board will consider the need for any changes to the management structure before the search for a new CEO.
- The Search Committee will begin as soon as possible to:
 1. Update the job description for the CEO.
 2. Develop a profile of the preferred candidate.
 3. Determine the feasibility of utilizing a search firm to assist the board in the search.
 4. Determine salary range and terms of the contract to be offered.
 5. Identify appropriate advertising media to be used.
 6. Establish a schedule to complete interviews, reference checks and final selection.
 7. Determine who will conduct the interviews and what questions will be asked.
 8. Determine the extent of staff and community involvement in the search process.
 9. Establish a process for communicating search progress to the board and staff.
- The Search Committee shall seek approval of the full board for all of the above.
- The Search Committee will recommend no more than three nor less than two candidates for review.
- The Search Committee will interview the final candidates and select the new CEO.
- External candidates and current employees will be invited to apply for the position.
- The board will do a formal written performance evaluation of the CEO after approximately one year of employment and then annually.

Sudden loss of CEO

The process to continue uninterrupted service in the event of sudden loss of the CEO will be as follows:

- The current CEO will compile a list of vital instructions for an interim CEO and update annually.
- The list will include, but not be limited to, such information as:
 1. A staff flow chart showing chain of command and a list of responsibilities of all management personnel. The list will also include special instructions about which staff members should be consulted for special assistance in such areas as personnel management, maintenance, finance, computer operations and other essential functions of the organization.
 2. Location of all bank accounts and financial records, and instructions about disbursement authority.
 3. Location of all vital documents, such as policies and contracts.
 4. Location of all computer backup files.
- If it becomes necessary to implement these emergency procedures, the board of directors will meet as soon as possible with the designated interim CEO to:
 - A. Establish a plan for continued operation.
 - B. Establish a schedule of board meetings to provide adequate support for the interim CEO.
- As soon as possible after the designation of the interim CEO, the board will implement the applicable procedures from the first half of this policy.

CEO Evaluation Process for Annual Performance and Compensation Review

- A. **December** of each year the incoming President will schedule a meeting with the CEO to establish the Annual Goals and written CEO Evaluation Form to be used for the Annual Performance Review.
 - a. The President acts as chair of the CEO Evaluation Committee. The Evaluation Committee consists of the President, the Vice-President and the Immediate Past President. In that capacity, they are responsible for the establishment of the Annual Goals and a CEO Evaluation Form to be provided for the CEO's Annual Performance Review. Specific performance goals for the CEO should reflect the annual budget, the current strategic plan and any special projects or initiatives established by the Board. The approved goals are in addition to the responsibilities outlined for the CEO in the Policy and Procedures Manual. Consequences for failure and rewards for success should also be specifically articulated. It should be considered, that some portion of the CEO's total compensation should be attached to the achievement of these goals. The CEO and President will review of the goals with the Board of Directors at the January BOD meeting. The Executive Committee will track the achievement of these Goals during the year.
 - b. An Evaluation Form should be utilized that allows for a qualitative discussion vs. strictly a numeric system. This form may be revised from time to time. The process should allow for input from the Executive Committee which is responsible for tracking the goals.
- B. **January** at the BOD meeting established goals are presented by the CEO and reviewed with Board. This will be an action item requiring a Board vote.
- C. **August** of each year the President will send out the CEO Evaluation Form to the CEO Evaluation Committee for their input in preparation for the Annual CEO Performance Review
 - a. The CEO Evaluation Committee shall seek input from the Board of Directors by email. Board of Directors input is not mandatory. This input shall be substantive in nature. All comments should be synthesized into themes to allow for discussion during the formal Performance Review. In addition, the CEO Evaluation Committee should invite the CEO to provide, in writing, his or her views as to achievement of his/her individual goals, and the goals for the organization for the previous year.
 - b. The CEO Evaluation Committee shall review the input from the Board and the CEO and meet to discuss their Performance Review of the CEO in advance of meeting with the CEO directly.

- c. . It shall be a specific responsibility of the CEO to schedule the meeting with the CEO Evaluation Committee. CEO may provide relevant industry compensation/benefits studies to assist the Committee in its decision making. The review shall be done and an oral summary of the results provided to the Board of Directors. The evaluation should be conducted well enough in advance of the contract expiration date to allow time to decide whether the contract will be renewed. Associations must be sure to adhere to contract provisions outlining how much notice must be given before terminating a contract.
- D. During budget discussions, the CEO's total compensation should take into consideration his/her achievement or failure to achieve the goals set in the previous year. Adjustments in the coming year's compensation structure should be made accordingly.
 - a. Annually, the BOD shall review the CEO's compensation and determine what, if any, increase or decrease in such compensation shall be appropriate. Compensation shall be reviewed consistent with the CEO's evaluation cycle, as established by the Board from time to time.
 - b. Adjustments to compensation are not guaranteed, and are dependent upon performance as measured by goals established by the Evaluation Committee at least annually, and given to the CEO. Any adjustment, to the CEO's compensation shall become effective as of the next budget cycle.
- E. During the budget discussions each year the President shall provide an oral summary to the Board of Directors and a salary recommendation for the following year shall be made to the Board at that time. If the Board does not concur with the salary recommendation, then they may invite the CEO into the executive session.
 - a. The results of the review shall be filed in the personnel file for the CEO held at the office of the VAR Board's legal counsel and a copy will be given to the CEO. The CEO should always keep a signed copy for his or her records. All evaluation documentation should be kept confidential and should not be shared beyond the evaluation committee. The only exception to this is in the case of a subpoena.