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Harford County Association of REALTORS®, Inc.

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Policy and Procedural Manual

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MISSION STATEMENT

10 The Harford County Association of REALTORS® provides its members with resources that enable them to
11 conduct business professionally while promoting the values and benefits for local communities to use
12 the services of our REALTORS®.

13 **Governance**

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43 **Job Descriptions**

44 Job descriptions and an orientation manual shall be furnished annually to elected officers and
45 directors of the Board of Directors.

46 **Board Member Duties**

47 The authority of individual Board members is limited to participating in actions taken by the
48 Board as a whole when legally in session. Board members shall not assume responsibilities of
49 administrators or other staff members. An individual board member may not take any action
50 upon themselves; at their own expense or otherwise, enter into any contract or agreement,
51 written or oral, on behalf of or in the interest of the association without the prior approval of
52 the Board.

53 The Board or staff shall not be bound in any way by any action taken or statement made by any
54 individual Board member except when such statements or action is pursuant to specific
55 instructions and official action taken by the Board.

56 Each Board member shall review the agenda and any materials distributed prior to the meeting
57 and be prepared to participate in the discussion and decision-making for each agenda item.

58 Each Board member is obligated to attend regular Board meetings. Whenever possible, each
59 Board member shall give advance notice to the Chief Executive Officer of his/her inability to
60 attend a Board meeting. A majority of the Board may excuse a director's absence from a
61 meeting if requested to do so. The Board may declare a Board member's position vacant after
62 three unexcused absences from regular Board meetings, including our Leadership Orientation,
63 our Midyear Membership meeting, and our Annual Membership meeting.

64 The Board of Directors may approve the release of Name, Company, Company Address,
65 Company Phone Number, Member E-Mail Address, and additional information deemed
66 necessary for the purpose of conducting an audit.

67 **Director and Officer Fidelity**

68 A Director or Officer of the Harford County Association of REALTORS® shall not be permitted to
69 serve simultaneously on any other local competing REALTOR® Board of Directors as an Officer or
70 Director.

71 Ex-officio Directors may not concurrently serve as any Officer on the Board of Directors.

72

73 The Affiliate Director must remain an active member of HCAR in good standing.

74

75 The current Immediate Past President may not be considered for any position on the Board of
76 Directors the following year.

77 **Emeritus Status**

78 Emeritus status shall be available to HCAR members who reached the age of 70 + and served a
79 minimum of three years on one or more HCAR committees. These members do not pay local
80 annual dues but do receive notices of the annual meeting and other information on events held
81 by the association.

82 **Conflict of Interest**

83 Any duality of interest or possible conflict of interest on the part of any board membership
84 should be disclosed to the other board members and made a matter of record, either through
85 an annual procedure or when the interest becomes a matter of board action.

86 Any board member having a duality of interest or possible conflict of interest on any matter
87 should not vote or use his/her personal influence on the matter, and he/she should not be
88 counted in determining the quorum for the meeting, even where permitted by law. The minutes
89 of the meeting should reflect that a disclosure was made, the abstention from voting, and the
90 quorum situation.

91 The foregoing requirements should not be construed as preventing the board member from
92 briefly stating his/her position in the matter, nor from answering pertinent questions from other
93 board members since his/her knowledge may be of great assistance.

94 It is further resolved that this policy be reviewed annually for the information and guidance of
95 the board members. The board Chairman and Executive Officer are authorized and directed to
96 see that this policy is followed.

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100 **Antitrust Statement**

101 The Harford County Association of REALTORS®, Inc. is a not-for-profit organization. The
102 association is not organized to and may not play any role in the competitive decisions of its
103 members or their employees, nor in any way restrict competition among members or potential
104 members. Rather it serves as a forum for a free and open discussion of diverse opinions without
105 in any way attempting to encourage or sanction any particular business practice.

106 The association provides a forum for exchange of ideas in a variety of settings including its
107 annual meeting, educational programs, committee meetings, and Board meetings. The Board of
108 Directors recognizes the possibility that the Association and its activities could be viewed by
109 some as an opportunity for anti-competitive conduct. Therefore, this policy statement clearly
110 and unequivocally supports the policy of competition served by the antitrust laws and to
111 communicate the Association's uncompromising policy to comply strictly in all respects with
112 those laws.

113 While recognizing the importance of the principle of competition served by the antitrust laws,
114 the Association also recognizes the severity of the potential penalties that might be imposed on
115 not only the Association but its members as well in the event that certain conduct is found to
116 violate the antitrust laws. Should the Association or its members be involved in any violation of
117 federal/state antitrust laws, such violation can involve both civil and criminal penalties that may
118 include imprisonment for up to 3 years as well as fines up to \$350,000 for individuals and up to
119 \$10,000,000 for the Association plus attorney fees. In addition, damage claims awarded to
120 private parties in a civil suit are tripled for antitrust violations. Given the severity of such
121 penalties, the Board intends to take all necessary and proper measures to ensure that violations
122 of the antitrust laws do not occur.

123 In order to ensure that the Association and its members comply with antitrust laws, the
124 following principles will be observed:

- 125 • The association or any committee, section, chapter, or activity of the Association shall not
126 be used for the purpose of bringing about or attempting to bring about any understanding or
127 agreement, written or oral, formal or informal, expressed or implied, among two or more
128 members or other competitors with regard to prices or terms and conditions of contracts for
129 services or products. Therefore, discussions and exchanges of information about such topics will
130 not be permitted at Association meetings or other activities.
131
- 132 • There will be no discussions discouraging or withholding patronage or services from, or
133 encouraging exclusive dealing with any supplier or purchaser or group of suppliers or purchasers
134 of products or services, any actual or potential competitor or group of actual potential
135 competitors, or any private or governmental entity.
136
- 137 • There will be no discussions about allocating or dividing geographic or service markets or
138 customers.
139

- 140 • There will be no discussions about restricting, limiting, prohibiting, or sanctioning
141 advertising or solicitation that is not false, misleading, deceptive, or directly competitive with
142 Association products or services.
143
- 144 • There will be no discussions about discouraging entry into or competition in any segment of
145 the marketplace.
146
- 147 • There will be no discussions about whether the practices of any member, actual or potential
148 competitor, or other person are unethical or anti-competitive, unless the discussions or
149 complaints follow the prescribed due process provisions of the Association's bylaws.
150
- 151 • Certain activities of the Association and its members are deemed protected from antitrust
152 laws under the First Amendment right to petition government. The antitrust exemption for
153 these activities, referred to as the Noerr-Pennington Doctrine, protects ethical and proper
154 actions or discussions by members designed to influence: 1) legislation at the national, state, or
155 local level; 2) regulatory or policy-making activities (as opposed to commercial activities) of a
156 governmental body; or 3) decisions of judicial bodies. However, the exemption does not protect
157 actions constituting a "sham" to cover anticompetitive conduct.
158
- 159 • Speakers at committees, educational meetings, or other business meetings of the
160 Association shall be informed that they must comply with the Association's antitrust policy in
161 the preparation and the presentation of their remarks. Meetings will follow a written agenda
162 approved in advance by the Association or its legal counsel.
163
- 164 Meetings will follow a written agenda. Minutes will be prepared after the meeting to provide a
165 concise summary of important matters discussed and actions taken or conclusions reached.
166
- 167 At informal discussions at the site of any Association meeting all participants are expected to
168 observe the same standards of personal conduct as are required of the Association in its
169 compliance.

170 **Legal Counsel**

171 The Board of Directors will designate legal counsel to serve the needs of Harford County
172 Association of REALTORS®, Inc. Legal counsel may be requested to attend board meetings by
173 request of a majority of the board members or at the mutual agreement of the board President
174 and the Chief Executive Officer.

175 Only the board president, the Chief Executive Officer or their designee may contact legal
176 counsel on behalf of the board. Costs billed to Harford County Association of REALTORS®, Inc.
177 and associated with individual board members contacting legal counsel, auditors or other
178 professional consultants without specific authority from the board of directors, will be billed to
179 the board member making the unauthorized contact.

180

181 **Communication**

182 When an electronic vote is requested by the President, Chief Executive Officer or Committee
183 Chairperson, Robert's Rules must apply to protect the association staff, volunteers and
184 members of the Board of Directors.

185 All association business related written/digital/virtual communications, including email
186 messages and social media posts on the association's sites from the Board of Directors,
187 Committees and Special Committees will be sent to the Chief Executive Officer, their designee or
188 the assigned staff liaison to be distributed to the appropriate recipients.

189 Never use "REPLY TO ALL" unless requested by the original sender.

190 Everyone should always be cognizant that email is not secure and may be retrieved at any time
191 in the future to be used in a court of law.

192

193 **Consent Agenda:**

194 The chairman, in consultation with the board of directors, may place items on the consent
195 agenda, for example committee, chapter and staff reports. This requires that all reports be
196 submitted in writing 10-days prior to the official board meeting.

197 By using a consent agenda, the board agrees to the consideration of these items as a group
198 under one motion.

199 Consent items are those which usually do not require discussion or explanation prior to board
200 action, are non-controversial and/or similar in content, or are those items which have already
201 been discussed and/or explained and do not require further discussion or explanation. Such
202 agenda items might include ministerial tasks such as, but not limited to, the approval of the
203 agenda, approval of previous minutes, approval of bills, approval of reports, etc. These items
204 might also include similar groups of decisions such as, but not limited to, approval of staff
205 contracts, approval of minutes, finances and reports.

206 An individual director for consideration may remove items from the consent agenda by a timely
207 request to the chairman. A motion to approve the consent agenda requires unanimous
208 approval. A request is timely if made prior to the vote on the consent agenda. The request
209 does not require a second or a vote by the board. An item removed from the consent agenda
210 will then be discussed and acted on separately immediately following the consideration of the
211 remaining consent agenda.

212 **Awards Committee:**

213 A member of the Awards Committee may not be considered for any award that current year.

214 Once a REALTOR® of the Association has been named as the REALTOR® of the Year, his/her
215 name cannot be submitted at a future time. Incumbent association president cannot be named
216 as REALTOR® of the Year. Nominations come from all REALTORS® of the Association. The
217 Committee selects the individuals for nomination.

218 **NAR Code of Ethics and Arbitration Manual:**

219 Statement 25

220 Expenses related to the conduct of hearings by a multi-Board or Regional Grievance Committee
221 or Professional Standards Committee shall be established by written agreement between the signatory
222 Boards in advance of the hearings. The expense of such hearings shall be borne by the signatory Boards
223 and shall not be supported by fees charged to the members other than as otherwise authorized by the
224 Code of Ethics and Arbitration Manual.

225 Statement 33

226 Any matter brought before the Grievance Committee, Professional Standards Committee, or
227 Board of Directors may be considered by a panel of members or Directors appointed by the President
228 for that purpose, or the Board's Executive Committee, a majority shall be REALTORS®. Three or more
229 members shall constitute a panel of the Grievance and Professional Standards committees. Five or
230 more Directors shall constitute a panel of the Board of Directors. The decision of the panel or Executive
231 Committee shall be final and binding and shall not be subject to further review by the full Committee or
232 the Full Board of Directors, except as otherwise provided in the COEAM.

233 Statement 45

234 Publishing the names of Respondents found in violation of an Ethics complaint shall not be
235 published by HCAR®.

236 Arbitration Statement 1 page 127

237 Contractual or specific non-contractual disputes between REALTORS® (principals) associated
238 with different firms must be mediated prior to consideration by the association for Arbitration service.
239

240 Statement 3

241 Voluntary arbitration services will be provided by the association.

242 Part One Ethics Section 6

243 During a Hearing, the association shall record the Hearing. The Parties MAY NOT record the
244 Hearing.

245 Section 14

246 An Administration Fee of \$500.00 for Ethics complaints will be assessed and charged to the
247 Respondent if found in violation of a Code of Ethics.

248 Section 15

249 There will be a standing committee, known as the Grievance Committee, of at least seven
250 members in good standing, of whom at least a majority shall be REALTORS®. The members of the
251 committee shall be appointed by the President, subject to confirmation by the Board of Directors, for
252 staggered three (3) year terms. Grievance Committee members must complete the required
253 Professional Standards training within the NAR guidelines. The Chairperson and Vice Chairperson are
254 selected by the President.

255

256 Section 16
257 There will be a standing committee, known as the Professional Standards Committee, of at least
258 seven members in good standing, of whom the majority shall be REALTORS®, appointed by the
259 President, subject to confirmation by the Board of Directors. The Chairperson and Vice Chairperson are
260 selected by the President. The Chairperson shall select the Hearing panel from committee members.

261 Section 19 (c)
262 If the Grievance Committee or panel dismisses a complaint, a panel of the Board of Directors
263 (minimum of five) or the Executive Committee may review the appeal in place of the full Board of
264 Directors.

265
266 Section 20 (f-g)
267 HCAR has adopted Sections 20 [f-q] for expedited ethics administration procedures.

268 Section 21 (e)
269 The complaint, and response, if any, shall be provided to Hearing Panel members prior to the
270 hearing. Such time period shall be seven days and shall be adhered to for all hearings.

271 Section 22 (a)
272 Ethics decisions brought before the Board of Directors for ratification WILL NOT include the
273 names of the parties.

274 Section 23 (b and m)
275 Panels of at least five members, or the executive Committee, may review, ratify or dismiss the
276 decision of an ethics hearing panel, rather than the full Board of Directors.

277 Section 23 (c)
278 A deposit of \$500 must accompany a request for an ethics appeal and a panel may act rather
279 than the full Board of Directors. If the appeal is upheld the deposit is refunded.

280 Section 23 (n)
281 If a respondent is found in violation of the Code of Ethics a second time within three years, the
282 respondent's name will not be published.

283 Section 24
284 The full Board of Directors shall review an allegation that a member has refused to arbitrate or
285 mediate a properly arbitrable matter.

286 Conduct of an Ethics Hearing
287 The Chair of the Hearing Panel will rule on postponement requests.

288 Section 47 (a)
289 A deposit of \$500 must accompany a request and agreement to arbitrate.

290

291 Section 47 (b)
292 The Professional Standards Administrator shall promptly refer a request to arbitrate to the
293 Chairperson of the Grievance Committee for determination by the Committee within seven days as to
294 whether the matter is subject to arbitration.

295 Section 48 (a)
296 A deposit of \$500 must accompany a response and agreement to arbitrate.

297 Section 48 (b)
298 In circumstances when the respondent fails or refuses to sign the Response and Agreement
299 Form, fails to make the required deposit, or fails to take part in the arbitration hearing, after
300 consultation and approval with our association attorney, the Hearing may be scheduled and conducted
301 in the absence of the respondent.

302 Section 51 (b)
303 The arbitration request and response, if any, shall be provided to the Hearing Panel members
304 seven days in advance and shall be adhered to for all hearings.

305 Section 54
306 The deposit will be returned to both parties if the dispute is resolved through mediation or
307 otherwise prior to the decision by the Hearing panel. The deposit will be returned to the prevailing
308 party after the decision by the Hearing Panel.

309 Section 55 (a)
310 A request for procedural review must accompany a \$500 deposit.

311 Section 55 (c)
312 A request for procedural review shall be with the full Board of Directors.
313

314 Section 56
315 We follow the laws of Maryland

316 Interboard requests for arbitration shall accompany a \$500 deposit. Shared costs of the hearing shall be
317 agreed to in writing prior the Hearing.

318 It is suggested that, to the extent practical, Members of the Grievance Committee, Professional
319 Standards Committee or Board of Directors, not serve simultaneously on the Professional Standards
320 Committee or on the Board of Directors to avoid conflict with the prohibition on serving on more than
321 one tribunal in the same matter.

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326 **Inclement Weather**

327 If Harford County Public Schools are DELAYED, all morning meetings and events are canceled
328 (except designation courses, professional standards hearings and Board of Directors meetings)
329 and afternoon meeting and events will run on time. If schools are CLOSED all meetings and
330 events are canceled that day. HCAR office, designation courses, Professional Standards Hearings
331 and Board of Directors meetings will operate as scheduled normal hours unless determined
332 otherwise by the CEO. Notice of any change to normal hours will be posted on our Facebook
333 Page and web site. Mark Wilson, CEO may be contacted at 410-382-3759 (Cell) if needed.
334 Everyone should exercise common sense and not risk their safety or others unnecessarily.

335 **Privacy & Security Policy**

336 We recognize the importance of protecting the personal information provided by our
337 membership in their application and at the NRDS (National REALTOR Database System) web site.
338 We maintain the following privacy policy:

- 339 1) The association gathers the member's contact information, office information and other data
340 from surveys, applications and general demographic information.
- 341 2) The association uses this information to notify members of upcoming events, products and
342 services, Calls to Action, and display on the association web site, etc.
- 343 3) The association sends bulk emails to the members periodically. All recipient email addresses
344 shall be "Blind Carbon Copy" and not available to any recipient. All "Hot Property Blasts" will
345 also come from a special email address - HotPropertyBlast@HarfordREALTORS.com .
- 346 4) The association will not share, sell or otherwise provide our member's contact information,
347 including email addresses to third parties, except to our active members of the association. The
348 only contact information made available to members of the association shall be the member's
349 **NAME, COMPANY, COMPANY ADDRESS, COMPANY PHONE NUMBER, and MEMBER EMAIL**
350 **ADDRESS.**
- 351 5) Credit information used to make payments by credit card or electronic check for products, dues,
352 or other services, via telephone, email, fax, U.S. Mail, or other means than the REALTOR® E-
353 Commerce Network will only be used to process the transaction requested. This information
354 will not be retained by the association any longer than is required to process and verify the
355 credit payment. Upon verification of the credit payment, the association will destroy all credit
356 payment information provided and will never be sold, shared or provided to members,
357 nonmembers or other third parties.
- 358 6) The association utilizes a strict Opt-Out Policy for sending online notifications. Members may
359 adjust their Communication Preferences by logging in, reviewing their registration at
360 REALTOR.org, and changing their preferences. Personal contact information may be adjusted
361 directly in the NRDS system or by contacting the association.

362

363 The association has advertising agreements between the association and other parties that provide links
364 to other party's web sites. The association does not control those web sites and will not be responsible
365 for the activities of other web sites or the member's use of those web sites.
366

367 **Whistleblower Policy**

368 Harford County Association of REALTORS® Code of Ethics and Conduct requires directors,
369 officers and employees to observe high standards of business and personal ethics in the conduct
370 of their duties and responsibilities. As employees and representatives of the Organization, we
371 must practice honesty and integrity in fulfilling our responsibilities and comply with all
372 applicable laws and regulations.

373 **Reporting Responsibility**

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

376 **Retaliation**

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

383 **Reporting Violations**

384 The Code addresses the Organization's open door policy and suggests that employees share
385 their questions, concerns, suggestions or complaints with someone who can address them
386 properly. In most cases, an employee's supervisor is in the best position to address an area of
387 concern.

388 However, if you are not comfortable speaking with your supervisor or you are not satisfied
389 with your supervisor's response, you are encouraged to speak with the current President or a
390 Past President of the association. Supervisors and managers are required to report suspected
391 violations of the Code of Conduct to the Organization's Compliance Officer, who has specific and
392 exclusive responsibility to investigate all reported violations. For suspected fraud, or when you
393 are not satisfied or uncomfortable with following the Organization's open door policy,
394 individuals should contact the Organization's Attorney.

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397 **Compliance Officer**

398 Organization's Compliance Officer or Corporate Attorney responsible for investigating and
399 resolving all reported complaints and allegations concerning violations of the Code and, at his
400 discretion, shall advise the Chief Executive Officer and/or the Board of Directors. The
401 Compliance Officer has direct access to the audit committee of the board of directors and is
402 required to report to the audit committee at least annually on compliance activity. The
403 Organization's Compliance Officer is the Organization's Corporate Attorney.

404 **Accounting and Auditing Matters**

405 The executive committee of the board of directors shall address all reported concerns or
406 complaints regarding corporate accounting practices, internal controls or auditing. The
407 Compliance Officer shall immediately notify the executive committee of any such complaint and
408 work with the committee until the matter is resolved.

409 **Acting in Good Faith**

410 Anyone filing a complaint concerning a violation or suspected violation of the Code must be
411 acting in good faith and have reasonable grounds for believing the information disclosed
412 indicates a violation of the Code. Any allegations that prove not to be substantiated and which
413 prove to have been made maliciously or knowingly to be false will be viewed as a serious
414 disciplinary offense.

415 **Confidentiality**

416 Violations or suspected violations may be submitted on a confidential basis by the complainant
417 or may be submitted anonymously. Reports of violations or suspected violations will be kept
418 confidential to the extent possible, consistent with the need to conduct an adequate
419 investigation.

420 **Handling of Reported Violations**

421 The Compliance Officer will notify the sender and acknowledge receipt of the reported violation
422 or suspected violation within five business days. All reports will be promptly investigated and
423 appropriate corrective action will be taken if warranted by the investigation.

424 **Donations:**

425 Donations will not be made to schools for proms or other similar events.
426 A \$100.00 donation to the Foundation of the Association as a Memorial shall be made in memory of a
427 deceased past president of HCAR® member's name and letter mailed to the family.

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431 **INVESTMENT POLICY**

432 This statement of investment policy has been adopted by the Board of Directors of the Harford
433 County Association of REALTORS® (HCAR®) to provide guidelines for the investment of funds
434 held by the association.

435 For the purposes of managing investment risk and to optimize investment returns within
436 acceptable risk parameters, the funds held will be divided into separate investment pools. The
437 process for determining the dollar amount in each pool is set forth in the "Procedures" section
438 of this document. The investment pools shall be called the "**Operating Fund**", the "**Operating
439 Reserves**", and the "**Long-Term Fund**".

440 **Procedures**

441 1. The following procedures will be followed to ensure the investment policy statement is
442 consistent with the current mission of HCAR® and accurately reflects the current financial
443 condition:

444 A.) This investment policy shall be reviewed annually by the Finance Committee for any
445 necessary revisions.

446 B.) Recommendations for any revisions or modifications will be made by the Finance
447 Committee to the Board of Directors for approval.

448 2. The following procedures will be used to determine the dollar amounts to be placed in the
449 Operating Fund, Operating Reserves and the Long-Term Fund. Dollars not specifically designated
450 will be restricted to investments designated in the "Investment Guidelines" for the Operating
451 Fund.

452 A.) The target amount for the Operating Reserves is designated at an amount equal to six
453 months of the Operating Budget. Any funds in excess of that amount may be moved to
454 another reserve fund as designated by the Board of Directors.

455 B.) The Finance Committee will recommend to the Board of Directors via the annual budget
456 process the dollar amounts to be placed in the Short-Term and Long-Term Funds.

457 C.) The Board of Directors will have final approval of the dollar amounts placed in specific
458 funds.
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OPERATING FUND

Purpose

The purpose of the Operating Fund is to provide sufficient cash to meet the financial obligations in a timely manner.

Investment Objectives

The investment objectives of the Operating Fund are:

- 1.) Preservation of capital;
- 2.) Liquidity; and
- 3.) To optimize the investment return within the constraints of the policy.

Investment Guidelines

ALLOWABLE INVESTMENTS

The Chief Executive Officer shall be authorized to invest the Operating Fund as follows:

- 1.) Checking, Savings or Money Market account in U.S. federally insured banks and savings and loans not to exceed the amount insured by the banking institution;
- 2.) Merchant Checking account in U.S. federally insured banks and savings and loans not to exceed the amount insured by the banking institution;
- 3.) The collective Operating Funds in all accounts shall not exceed the amount insured by the banking institution;
- 4.) The signatories for each Operating reserve account shall be the Chief Executive Officer and the Treasurer.

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OPERATING RESERVES

Purpose

The purpose of the Operating Reserves is to provide approximately six months of operating reserves to meet expenses in the event of a shortfall.

Investment Objectives

The investment objectives of the Operating Reserves are:

- 1.) Preservation of capital;
- 2.) Liquidity; and
- 3.) To optimize the investment return within the constraints of the policy.

Investment Guidelines

ALLOWABLE INVESTMENTS

The President and President-Elect shall be authorized to invest the Operating Reserves in Short-Term funds as follows:

- 1.) Money Market funds that invest in government-backed securities not to exceed \$250,000 per institution
- 2.) U.S. Federally insured certificates of deposit not to exceed the amount insured by the banking institution;
- 3.) Passbook Savings accounts not to exceed the amount insured by the banking;
- 4.) The total collective Short-Term Funds in all accounts shall not exceed the amount insured by the banking institution.
- 5.) The signatories for each Short-Term Fund account shall be the President and President-Elect.

MATURITY

The Operating Reserves Fund shall have a weighted average maturity of five years or less.

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LONG-TERM FUNDS

Purpose

The purpose of the Long Term Fund is as follows:

- Provide funds for the investments in real property and other future association requirements.

Investment Objectives

The investment objectives of the Long-Term Fund are:

- 1.) Preservation of capital;
- 2.) To optimize the investment return within the constraints of the policy

Investment Guidelines

ALLOWABLE INVESTMENTS

The President and Chief Executive Officer shall be authorized to invest the Long-Term Fund as follows:

- 1.) Checking accounts in U.S. federally insured banks and savings and loans not to exceed federally insured amounts;
- 2.) Money market funds that invest in U.S. Government backed securities;
- 3.) Federally insured certificates of deposit not to exceed the amount insured by the banking institution;
- 4.) A Financial Investment firm that is approved by the Board of Directors.
- 4.) Direct obligations of the U.S. Government, its agencies and instrumentalities.
- 5.) Funds in excess of 6 months reserves are considered Long Term Funds.
- 6.) The signatories for each Long-Term Fund account shall be the President and Chief Executive Officer.
- 7.) The Chief Executive Officer shall be the primary contact with the Investment firm.
- 8.) Craig Strobel, Chris Drewer and Mark Wilson shall be the Investment committee and provide a minimum of biannual reports to the Board of Directors on the investments with the firm.

536 **HCAR Continuing Education Policy**

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538 **Attendance**

539 According to the guidelines set forth by the Real Estate Commission, you must arrive ON TIME
540 and remain the entire class time to receive Continuing Education Credit or Clock Hours – NO
541 EXCEPTIONS! ON TIME means you must be signed in by the time class starts. There is NO GRACE
542 PERIOD! The Real Estate Commission could rescind our authorization to provide Continuing
543 Education Classes if this is not strictly enforced. If you arrive late or do not remain the entire
544 class, you may be able to attend the class, but you will not be eligible for any “refund, clock
545 hours, or otherwise credit whatsoever.”

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547 **Classroom Conduct**

548 Your full attention must be given to the instructor and class materials. Sleeping, reading non-
549 class related materials; use of all electronic equipment that is not related to the class is
550 prohibited. All cell phones and pagers must be turned OFF (not vibrate) while in class. You may
551 not leave the classroom other than instructor breaks unless it is an emergency. Antitrust Laws
552 will be obeyed.

553

554 **Expenditure**

555 All Continuing Education fees paid are NON-Refundable. A Class credit may be available if you
556 cancel by calling HCAR 410-569-0750 at least 48 hours in advance. NO CHARGE Classes have a
557 NO-SHOW FEE if you do not cancel by calling HCAR 410-569-0750 at least 48 hours in advance
558 and do not attend the class.

559

560 **Travel and Expense Reimbursement:**

561 **General Policy:**

562

563 Mileage is only reimbursed for your personal automobile use for distances greater than 50 miles from
564 the association office or requiring overnight accommodations. General policy will apply to all eligible
565 Officers, Directors and staff of the Association who seek reimbursement for travel and other expenses
566 incurred on behalf of the Association and provided it is within the board approved budget, except
567 mileage for day to day operation of the association from staff. The Omnibus Budget Reconciliation
568 Act of 1993 contained specific provisions to regulate the payment of travel expenses to Association
569 Officers and Directors so as to avoid abuse of the system. A travel and expense reimbursement
570 policy is required and must be adhered to and certain limitations are provided in connection with per
571 diem allowances and spouse travel. The IRS allows reimbursement for travel expenses that are
572 ordinary, necessary and directly related to the purpose of the Association. Remember that at some
573 time you may be asked by the membership to justify your travel and expense reimbursement costs.

574 The association staff will make arrangements for eligible officers and staff and pay in advance their
575 air travel using air fare coach nonrefundable tickets (unless officers and staff prefer to make their own
576 air travel arrangements and be reimbursed within 30 days after the event. Officers and staff will only
577 be reimbursed after the event and at the air fare coach nonrefundable ticket price). Officers and staff
578 are responsible to pay for your baggage and request reimbursement. Officers and staff are expected
579 to attend the event and programs expected of their position and provide a report to the Board of
580 Directors.

581 The association staff will make conference reservations for eligible officers and staff and pay in
582 advance their event registrations (unless they prefer to make their own reservations, officers and staff
583 will only be reimbursed within 30 days after the event and only at the early bird rate.

584 The association staff will make reservations for officers and staff at the standard room rate for their
585 overnight hotel. If the officer or staff does not attend the event, they may be responsible for any
586 expenses incurred by the association. Should the officer or staff elect to make their own hotel
587 reservations, they will only be reimbursed within 30 days after the event and at the standard room
588 rate for expenses incurred at the early bird rate.

589 Should officers and staff elect to make their own reservations, they will be responsible to pay their
590 hotel bill upon checkout. They will only be reimbursed within 30 days after the event and for the
591 expenses incurred for the standard room rate for the number of days required to attend. Any other
592 expenses on the hotel room bill may or may not be reimbursed as defined in this policy.

593 The association staff will pay for taxi fare to and from the hotel if required. (unless you are traveling
594 without staff).

595 You are responsible for all tips and may be reimbursed for reasonable amounts within 30 days after
596 the event. If possible please obtain a receipt and if not, you should provide a written log with the
597 reimbursement form.

598

599 **Expense Reimbursement Forms:**
600 All travel and expense reimbursement forms and receipts for all expenses over \$20.00 are to be
601 completed and turned in to the Chief Executive Officer or Treasurer after the expense has been
602 incurred and/or the event or function has been attended and within 30 days after the actual event.
603 Failure to comply with this policy will mean that authorization of payment will be deferred to the Board
604 of Directors.

605
606 **Spouse Travel:**
607 To qualify for reimbursement of spouse travel expenses other than air travel, and a shared hotel
608 room, the spouse must have a “bona fide business purpose” to be present for the association. No
609 other family members or friends’ expenses shall be reimbursed other than a spouse or live-in
610 companion.

611
612 **Authorization of Travel/Expense Claims:**
613 The Treasurer will be responsible for authorizing payment of all claims for expense reimbursement
614 from Officers and Directors of the Association. This authority may be delegated to the Chief Executive
615 Officer who will refer all questions or matters requiring interpretation to the Treasurer for a final
616 decision. In the event that the Treasurer is uncomfortable with authorizing any claim, he or she will
617 refer the claim to the Board of Directors for consideration at their next meeting.

618
619 The Chief Executive Officer will be responsible for authorizing payment of all claims for expense
620 reimbursement from staff of the Association with the exception of his or her own claims which must
621 be authorized by the Treasurer or Board of Directors.

622
623 **Form of Travel:**
624 Officers and staff of the Association are required to use the most cost effective, but reasonable form
625 of travel. This means that, when traveling by air, reservations must be made as far in advance as is
626 reasonable, for coach class travel and to take advantage of any discounts that might be offered.
627 Travel by air within the state requires the approval of either the Board of Directors or Chief Executive
628 Officer, and must be evaluated against the cost of traveling by car. In the same way the cost of travel
629 by car should not exceed the cost of travel by air when attending state or national meetings.

630
631 **Travel by Car and Mileage Reimbursement:**
632 Officers and staff of the Association shall be reimbursed for use of their private automobile at current
633 IRS rates.

634
635 **Per Diem Rate:**
636 The per diem rate established annually by IRS guidelines to cover travel within the state and to NAR
637 meetings is the maximum amount allowed without treating part as wages. The per diem rate is to
638 cover the cost of lodging, meals, incidental expenses, personal telephone calls and local taxi fares to
639 meetings and restaurants, tips and internet connections. Receipts must also be shown separately
640 and supported by details showing the names of those present.
641 Refer to <http://www.irs.gov> for more information.

642 **Rental Cars:**
643 Rental cars are only reimbursable when other forms of transportation are unobtainable or when the
644 use of a rental car will lower the cost of transportation.

645 **Non-Reimbursable Items:**
646 These items are generally excluded unless authorized by the Board of Directors
647 Personal entertainment (i.e.: movies, health clubs, airline headphones, tours, etc.)
648 Purchase of books and magazines
649 Barber, hair stylist or beautician fees
650 Baby-sitting
651 Kennel
652 Laundry and dry cleaning
653 Mini-bars and in-room safes
654 Hotel phone calls above the 15-minute personal call allowance in any one day
655 Room Service
656

657 **President and President Elect**

658 The Harford County Association of REALTORS® shall reimburse the President and President
659 Elect in accordance with General Policy and not to exceed the line item approved in the budget
660 for the year in question.
661

662 **Banquet and Special Expenses:**

663 The President and President Elect may be reimbursed for banquet or function tickets at meetings
664 of NAR® and MAR®, provided they do not exceed the respective line item approved in the
665 budget.
666

667 **Hosting:**

668 The Association will reimburse the actual costs incurred in those situations where it is deemed
669 appropriate for the President or President Elect to “pick up the check” for several individuals at a
670 meal. not to exceed the line item in the current budget. When this occurs the IRS requires a
671 receipt for the expenditure and explanation of the purpose, plus a list of the individuals
672 concerned, their titles and the location of the event.
673

674 **Miscellaneous Expenses:**

675 The President and President Elect may be reimbursed for miscellaneous expenses such as
676 attending political fund-raisers, functions of associated industries, the purchase of gifts for
677 volunteers or staff and other expenses which are considered both reasonable and prudent, not to
678 exceed the line item in the current budget.
679

680 **Spouse Travel:**

681 Subject to budget limitations, the President and President Elect may be reimbursed for spouse’s
682 air travel costs only, when their spouse accompanies them to a meeting outside of the State,
683 not to exceed the line item in the current budget.

684 **Board of Directors**

685 Directors and the Immediate Past President may be reimbursed for the cost of registration
686 at the annual national conventions, not to exceed the budgeted amount.
687

688 The Vice President, Secretary/Treasurer; may be reimbursed for the cost of registration,
689 transportation and overnight accommodations at the annual national conventions, not to exceed
690 the budgeted amount.

691 **Chief Executive Officer**

692 The Chief Executive Officer is reimbursed for all reasonable, ordinary and necessary business
693 expenses incurred or paid by the Employee in the performance of their employment agreement
694 not to exceed the budgeted amount.

695 The Chief Executive Officer shall acquire and maintain a credit card
696 and is responsible for properly accounting for all charges made. Expense report forms and
697 copies of all credit card slips are to be turned in within 30 days and in accordance with General
698 Policy. Association credit cards may not be used for personal charges.
699

700 **Banquet and Special Expenses:**

701 The Chief Executive Officer may be reimbursed for banquet or function tickets at meetings of
702 the NATIONAL ASSOCIATION OF REALTORS®, or Maryland Association of REALTORS®
703 provided they do not exceed the respective line item approved in the budget.
704

705 **Hosting:**

706 The Association will reimburse the actual costs incurred in those situations where it is deemed
707 appropriate for the Chief Executive Officer to “pick up the check” for several individuals at a
708 meal not to exceed the budgeted amount. When this occurs the IRS requires a receipt for the
709 expenditure and explanation of the purpose, plus a list of the individuals concerned, their
710 titles and the location of the event.
711

712 **Miscellaneous Expenses:**

713 The Chief Executive Officer may be reimbursed for miscellaneous expenses such as attending
714 political fund-raisers, functions of associated industries and other expenses that are considered
715 both reasonable and prudent not to exceed the line item in the current budget.
716

717 **Spouse Travel:**

718 Subject to budget limitations, the Chief Executive Officer may be reimbursed for spouse’s air
719 travel costs only when his or her spouse accompanies him or her to a meeting outside of the
720 State. Not to exceed the budgeted amount.
721

722 **Document Retention and Destruction**

723 In accordance with the Sarbanes-Oxley Act, the association shall retain and destroy corporate records;
724 accounting and corporate tax records; bank records; payroll and employment tax records; employee
725 records; donor and grant records; legal, Insurance and Safety Records in compliance with federal and
726 state laws and regulations. Electronic documents will be retained as if they were paper documents. All
727 records will be kept in a safe, secure and accessible manner. Destruction of financial and personnel-
728 related documents will be done by shredding.

729 Permanent document retention will include:

- 730 Articles of Incorporation
- 731 Board of Directors Minutes
- 732 Current Bylaws
- 733 Current Board Policies
- 734 Real Property Documents
- 735 IRS Application for Tax Exempt Status
- 736 IRS Determination Letter
- 737 Annual Audits
- 738 IRS Forms 990
- 739 Payroll Registers
- 740 State and Federal Unemployment Tax Records
- 741 Employment and Termination Agreements
- 742 Insurance Policies
- 743 Stocks and Bonds Records