



HAWAI'I ASSOCIATION OF REALTORS® POLICY STATEMENTS- 2025

Amended and Restated Bylaws of the HAWAI'I ASSOCIATION OF REALTORS®
October 31, 2019 – Reviewed and approved by the Board of Directors
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Board Policies

1. Policy 30.00100 - Setting the Annual Dues Amount
2. Policy 30.00101 - BOD Meeting Agenda
3. Policy 30.00102 - Budget Approval
4. Policy 30.00103 - Unity of Control
5. Policy 30.00104 – Members of the Board of Director’s Code of Conduct
6. Policy 30.00105 - Individual Responsibilities for Members of the Board of Directors
7. Policy 30.00106 - Electronic Transaction of Business
8. Policy 30.00107 - Governance - Management Connection
9. Policy 30.00108 - Policy-Making Principles
10. Policy 30.00109 – Fiscal and Elective Year
11. Policy 30.00110 – Board Absences

HAWAII REALTORS® Policy Manual – Board

Policy Statement - 30.00100

Setting the Annual Dues Amount

The amount of the annual dues for each class of membership shall be approved by the Board of Directors no later than October 1 of the immediately preceding year.

Local Boards/Associations can begin to submit dues for the following year after the HAR Board of Directors has set the annual dues amount for the HAWAII ASSOCIATION OF REALTORS® and after the annual dues allocation for lobbying memorandum has been distributed to each local Board/Association. In the event that a local Board/Association submits dues prior to this, the dues will be returned to the local Board/Association.

HAWAI'I REALTORS® Policy Manual – Board

Policy Statement - 30.00101

Board Meeting Agenda

The Board of Directors has oversight of HAWAI'I REALTORS® that focuses on leadership, stewardship and membership for a positive impact; ensuring that HAR is always adaptable to current and future needs while remaining proactive, flexible and nimble. The Board develops and monitors the Association's Strategic Plan.

The Board of Directors shall meet not less than five (5) times each calendar year, at such times and places as shall be fixed by the Board of Directors.

Accordingly:

1. The President, after consulting with the Board Leadership Team, sets the agenda for each meeting, taking into consideration Board Members' suggestions.
 - A. Suggestions from Board Members regarding matters for Board discussion are delivered to the President at least ten (10) days prior to the scheduled Board meeting.
 - B. The agenda and supporting documents are delivered electronically to Board members at least seven (7) days prior to the scheduled Board meeting.
 - C. Unscheduled items may be added to the agenda of any Board meeting by an affirmative vote of a majority of the Board members prior to the meeting, or a majority of the members present at the meeting.
2. Consent Agenda Items (CEO responsibilities which require Board approval by law or contract) are addressed promptly.
3. Each meeting agenda includes the Board's review of the Association's Strategic Plan.
4. Minutes of the Board of Directors meetings are reviewed by the Elected Secretary. Minutes of Executive Session meetings dealing with personnel matters related to the CEO, are maintained in the offices of the General Counsel.

HAWAII REALTORS® Policy Manual – Board

Policy Statement – 30.00102

Budget Approval

Prior to October 1 of each fiscal year, the CEO, in consultation with the Board Leadership Team, shall prepare and submit to the Board of Directors for its approval or modification, a budget for the next succeeding fiscal year.

The CEO shall not cause or allow financial planning for any fiscal year or the remaining part of any fiscal year to deviate materially from the Board's Strategic Priorities and risk financial jeopardy.

Accordingly, the CEO shall not:

1. Risk incurring those situations or conditions described as unacceptable in HAR's Policy Statement Manual – Financial.
2. Omit credible projections of revenues and expenses, separation of capital and operational items, cash flow, and the disclosure of planning assumptions.

HAWAI'I REALTORS® Policy Manual - Board

Policy Statement – 30.00103

Unity of Control

Only decisions of the Board, by majority vote, are binding on the CEO.

Accordingly:

1. Decisions or instructions of individual Board members, officers, or committees are not binding on the CEO except in rare instances when the Board has specifically authorized such exercise of authority.
2. In the case of Board members or committee requesting information or assistance without Board authorization, the CEO can deny such requests that require, in the CEO's opinion, a material amount of staff time, funds or is disruptive.

HAWAI'I REALTORS® Policy Manual – Board

Policy Statement – 30.00104

Members of the Board of Director's Code of Conduct

Members of the Board of Directors for HAWAI'I REALTORS® commit to high standards of ethical, professional and lawful conduct including proper use of authority and appropriate decorum when acting as members of the Board.

As a result:

1. Members of the Board of Directors owe fiduciary responsibility and primary loyalty to the membership, above any loyalties to staff, other organizations or personal interests.
2. Members of the Board of Directors avoid conflicts of interest with respect to their fiduciary responsibility.
 - A. Self-dealing is prohibited. Business and personal transactions between members of the Board of Directors and HAWAI'I REALTORS® are prohibited except when fully disclosed and agreed to by the Board and procedurally controlled to assure openness, fairness, competitive opportunity and equal access to inside information.
 - B. A Member of the Board of Directors who has an unavoidable conflict of interest on a matter before the Board, shall disclose the conflict to the Board and absent him/herself without commenting during the deliberation and the vote.
 - C. Members of the Board of Directors do not use their positions to obtain staff employment for themselves, family members or close associates. A Member of the Board seeking a staff position **must** first resign from the Board.
 - D. At the beginning of each year, and as necessary during the year, Members of the Board of Directors are required to disclose any involvements with other organizations, vendors or associations that could result in a conflict.
3. Members of the Board of Directors have no individual authority over the association except as explicitly set forth in Bylaws or by adoption of policy.
 - A. Members of the Board of Directors do not communicate directly with HAWAI'I REALTORS® staff, other than the CEO, regarding HAWAI'I REALTORS® operations EXCEPT in the following circumstances:

1. When a duly authorized officer or committee chair requests information from staff, or
 2. When acting as an Individual Member and NOT as a Member of the Board of Directors.
- B. If contacted in any way by a staff member regarding any concerns or complaints s/he may have, Members of the Board of Directors do not discuss those concerns or in any way indicate an opinion unless explicitly authorized by the Board to act on the matter. Instead, a Member of the Board of Director shall:
1. Refers the staff member to the *HAWAII REALTORS® Employee Manual* for procedures for raising such concerns.
 2. Notifies the Association President, at whose discretion the CEO and/or outside general counsel may be notified of the contact.
- C. Members of the Board of Directors' interaction with public, media or other entities recognize the limitations and lack of authority to speak for the Board except to repeat explicitly stated Board decisions.
- D. A Member of the Board of Directors who, based on credible information, believes that a Board policy has been violated by the Board or the CEO, has an affirmative obligation to bring the concern to the Association President or CEO as an agenda item to be researched.
4. As a Member of the Board of Directors, discussions about policy decisions and other confidential and sensitive information will occur. In order for prudent decisions that serve the best interest of HAWAII REALTORS®, it is understood that the Board of Directors will be discussing and evaluating confidential, sensitive and proprietary information.

Each Member of the Board of Directors agrees to the following:

- a. "Confidential Information" as used herein, shall mean all information, documentation, concepts, processes, etc.
- b. Directors acknowledge and agree that the Confidential Information is proprietary and may include information that disclosure or unauthorized use of this information may cause irreparable harm to members or the Association.
- c. Once an issue has been discussed and a final decision has been made by a majority of the Board of Directors, all members of the Board of Directors agree to abide by and support the decision.
- d. The only persons whom the Members of the Board of Directors may share the Confidential Information are the Officers and other members of the Board of Directors of the Association, when

appropriate, designated Association Staff, and/or outside consultants working with the Association.

- e. At no time will a Member of the Board of Directors communicate “Confidential Information” via any electronic means such as email and/or text message.

As a Member of the Board of Directors for HAWAI'I REALTORS®, all Directors understand the rules of confidentiality and understand that any breach of this confidentiality could expose HAWAI'I REALTORS® to civil or criminal proceedings.

- 5. Members of the Board of Directors review and strictly adhere to HAWAI'I REALTORS® Antitrust Compliance Policy.
- 6. Members of the Board of Directors are prohibited from accepting money, gifts or gratuities exceeding \$200 in value from persons receiving benefits or services from HAWAI'I REALTORS®; any person or organization performing or seeking to perform services under contract with HAWAI'I REALTORS®; and persons who are otherwise in a position to benefit from the actions of any Member of the Board of Directors.

HAWAI'I REALTORS® Policy Manual - Board

Policy Statement – 30.00105

Individual Responsibilities for Members of the Board of Directors

The leadership success of the Board of Directors for HAWAI'I REALTORS® depends on the individual and collective participation of its Members. Therefore, Members of the Board of Directors are expected to participate as follows:

1. **Attendance.** Deliberation and decision-making require full participation, thus a Director who misses three (3) of the Board's regularly schedule meetings in any calendar year will be subject to removal by the Board of Directors (Article V – Board of Directors, Section 8). In addition to regularly scheduled meetings, Members of the Board of Directors are expected to attend Special Board Meetings and other Board related events.
2. **Preparation and Participation.** Members of the Board of Directors prepare for Board and when applicable, committee members and are expected to participate in discussions within the boundaries of discipline established by the Board of Directors. Each Member of the Board of Directors contributes his or her own knowledge, skill and expertise to the Board's efforts to fulfill its duties and responsibilities.
3. **Members as Individuals.** The CEO is accountable only to the Board of Directors as a whole, not to individual Members of the Board. Thus, the relationship between the CEO and individual Members of the Board of Directors including the President, is collegial rather than hierarchical.
4. **Volunteerism.** The functioning and success of HAWAI'I REALTORS® depends on the involvement and dedication of its volunteers. Members of the Board of Directors, as individual members of HAWAI'I REALTORS® rather in their capacity as Members of the Board of Directors, may serve as volunteers on Standing Committees and Task Forces.
5. **Members in Good Standing.** Members of the Board of Directors represent HAWAI'I REALTORS® within the community and throughout the State and Industry, thus Members of the Board of Directors must remain in good standing with the Association, the community and the real estate industry.

HAWAI'I REALTORS® Policy Manual – Board

Policy Statement – 30.00106

Electronic Transaction of Business

To the fullest extent permitted by law, the Board of Directors may conduct business by electronic means.

HAWAII REALTORS® Policy Manual – Board

Policy Statement – 30.00107

Governance – Management Connection

The Board of Directors' sole connection to the operational organization, its achievements and conduct will be through the Chief Executive Officer (CEO).

Only decisions of the Board, by majority vote, are binding on the CEO.

The CEO is the Board of Directors' only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board of Directors is concerned, is considered the authority and accountability of the CEO.

The Board of Directors will instruct the CEO through written policies or the Association's Strategic Plan, the goals and objectives to be achieved and any actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies or the Strategic Plan.

HAWAI'I REALTORS® Policy Manual – Board

Policy Statement – 30.00108

Policy-Making Principles

The Board of Directors' assumes full responsibility for ongoing and rigorous examination, debate and revision of its policies. The establishment and maintenance of these policies from value considerations and Board of Director Member perspectives is the essence of the Board's role as an organization that focuses on leadership, stewardship and membership for a positive impact ensuring that HAWAI'I REALTORS® is always adaptable to current and future needs while remaining proactive, flexible and nimble.

All policies of the Board of Directors are contained in the HAWAI'I REALTORS® Policy Statement Manual, Board Section, and they remain in effect, unless amended or deleted by action by the Board of Directors.

HAWAII REALTORS® Policy Manual - Board

Policy Statement – 30.00109

Fiscal and Elective Year

The fiscal and elective year of HAWAII REALTORS® shall be the calendar year.

Previously (HAR Bylaws 2016 – Article XI – Fiscal & Elective Year)

HAWAII REALTORS® Policy Manual – Board

Policy Statement - 30.00110

Board Absences

Any Director who shall be absent from three (3) consecutive meetings of the Board of Directors may be removed from office from the Board of Directors by the vote of a majority of all Directors of the Association then in office.

CEO Policies

- 12. Policy - 35.0001 - Chief Executive Officer
- 13. Policy - 35.0002 - CEO Evaluation Procedure
- 14. Policy - 35.0003 - Job Description – CEO
- 15. Policy - 35.0004 - CEO Evaluation Form
- 16. Policy - 35.0005 - CEO Succession Plan
- 17. Policy - 35.0006 - Compensation and Benefits
- 18. Policy - 35.0007 - Treatment of Staff
- 19. Policy - 35.0008 - Calendar
- 20. Policy - 35.0009 - Internal Audits
- 21. Policy - 35.0010 - Treatment of Members Customers & Volunteers

HAWAII REALTORS® Policy Manual – Chief Executive Officer

Policy Statement – 35.0001

Chief Executive Officer

The CEO is the only employee of HAWAII REALTORS® and is the Board of Directors only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the CEO. Only decisions of the Board, by majority vote, are binding on the CEO.

1. The Board will never give instructions to persons who report directly or indirectly to the CEO.
2. The Board will not evaluate, either formally or informally, any staff.

The Board of Directors will instruct the CEO through written policies or the Association's Strategic Plan, the goals and objectives to be achieved and any actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies or the Strategic Plan.

Each year, the CEO's Job Performance is evaluated using the form prescribed in the CEO Evaluation Procedure based upon the strategic plan and goals agreed upon in the prior year's evaluation process. The President, President-elect and Immediate Past President are responsible for the successful completion of the evaluation process no later than November 30th each year.

The evaluation procedure is referenced in HAR's Association Policy Manual – Chief Executive Officer, Policy Statement – 35.0002.

HAWAII REALTORS® Policy Manual – Chief Executive Officer

Policy Statement – 35.0002

CEO Evaluation Procedure

The CEO Evaluation Team is comprised of:

- President
- President-elect
- First Vice President
- Immediate Past President

Timeline: 15-18 month process

President-elect and CEO Checklist completed/reviewed together by August 31st of each year.

CEO and Leadership Team (LT) Strategic Goals and Priorities tied to the Strategic Plan for upcoming Fiscal Year is completed with weighted percentages in collaboration with the FY Leadership Team between June and August 15th of each year.

Budgetary adjustments needed due to CEO/LT Strategic Goals and Priorities are presented with the budget by October 1 of each year.

The CEO's preliminary Annual Report on Strategic Goals and Priority accomplishments to be presented to the Evaluation Team by November 1st of each year.

Individual evaluations should be completed prior to the NAR Annual Convention.

The Evaluation Team meets to discuss their conclusions by the end of the NAR Annual Convention in November.

The Evaluation Team evaluates the CEO's Performance based on two sections:

1. To assess the above and beyond achievement of Collective Strategic Goals as presented to the Board of Directors. (May be tied to bonus.)
2. To assess routine job performance by rating a level of proficiency as determined by the consideration of the following competency factors based on the job description.

Evaluation process including the final signing off of the sit-down review and acceptance of the review is to be completed by December 15th of each year based on that year's performance.

Procedure:

1. CEO evaluation team to meet with legal counsel regarding process, procedures and necessary history.
2. A survey is to be sent to all committee chairs and returned to the evaluation team for their review. Please see attached copy.

3. Each member of the evaluation team should review the prior year's evaluation and independently prepare the CEO Performance Evaluation and Development Form.
4. The evaluation team will meet to compare their individual evaluations, and finalize a master copy to be presented to the CEO by the evaluation team.
5. The evaluation team may share the surveys with the CEO to help improve CEO and staff performance.
6. The signed CEO evaluation is to be kept on file at the Association for a minimum of 5 years in the CEO's personnel file with a copy for Corporate Counsel.
7. The Board of Directors will be informed regarding the completion of the annual process.

Completing the evaluation form:

1. The evaluation team will meet with CEO to discuss the process and request any information needed for the evaluation.
2. The evaluation team will review goals set by the Strategic Plan and the prior year's goals as set by the CEO and the previous Evaluation Team.
3. The evaluation team will set measurable goals for the next twelve months.
4. The evaluation shall be objective, open and honest.

Post Evaluation:

Proposed revisions for job description or policies for the following year to be complete by December 31st.

Compensation:

The Evaluation Team is also responsible for any bonuses or merit-based adjustments in consideration of the foregoing no later than December 31st.

HAWAII REALTORS® Policy Manual – Chief Executive Officer

Policy Statement – 35.0003

Job Description – Chief Executive Officer

FUNCTION:

This position serves as the Chief Executive Officer of HAWAII REALTORS® and is responsible for the effective operations of the Association. The CEO participates and provides guidance in formulating the Association's strategic plan and policies. The CEO plans, organizes and is accountable for the success of all association staff, programs and activities. The CEO is responsible for the effective and efficient use of staff support to all Association Committees and goals.

PRIMARY RESPONSIBILITIES:

The CEO performs the following with appropriate delegation and within the limits of the HAR Bylaws and the policies adopted by the Board of Directors:

Board Governance

- CEO to collaborate with Leadership Team and staff to develop a 3-year rolling master calendar.
- Assures that the Board of Directors is kept fully informed on the conditions of the Association and on all-important factors influencing it.
- Provides the necessary liaison and staff support to Committee chairpersons and committees to enable them to properly perform their functions.
- Executes such contracts and commitments as may be authorized by the Board of Directors or within established policies.
- Provides support for NAR Directors from Hawaii prior to, during and after NAR meetings and conferences, to include providing pertinent information about issues, meetings, events and motions.
- Carries out such other general responsibilities as may be assigned by the Board of Directors.

Executive Leadership and Organization Management

- Engage and collaborate annually with the Leadership Team (President, President Elect, First Vice President, Secretary and Treasurer) in developing and executing Association goals and objectives.
- Plans, develops, maintains, and executes an operational plan and calendar, which is clearly communicated to staff and leadership, aligned to achieve the Strategic Plan, as well as, operational policies and programs established by the Board of Directors in the strategic plan.
- Oversees the day-to-day administration, and development of procedures and programs to achieve the goals and policies established by the Board of Directors. All administrative and programmatic decisions must be within established policy parameters set forth in the Association's governing documents.
- Establishes a sound organizational structure for the Association.
- Responsible for recruiting, hiring, training, promoting, terminating and managing employee conflict of Association personnel.
- Defines staff duties, establishes performance standards, conducts performance reviews, and maintains competitive salary and benefits structure.
- Provides support for designated NAR Institute affiliates, RPAC/REALTOR® Party, the Leadership Academy and for local, state and national charitable events.
- Research, acquire and integrate software and technology tools which enhance the business of the Association.
- Ensures that all Core Standards for local and state associations are met and up-to-date on an annual basis, or appropriate action is taken with NAR.

Financial Management and Administration

- Ensures the Association is in legal and tax compliance with all state and federal laws.
- Develops an annual budget that aligns with the strategic and operational plans and assures that all funds, physical assets and other property of the Association are appropriately safeguarded and administered; operates within the budget and financial activity constraints as directed by the Board of Directors.

Member Relations

- Develops and/or coordinates member services and education programs to advance the professional/technical/managerial skills that offers value to the membership.
- Conducts research and related projects, prepares reports and publishes the results on subjects deemed of importance to the membership.
- Plans, organizes and directs membership promotion and retention programs; evaluates results and develops procedures and action to achieve membership goals.

External Relations and Communications

- The CEO develops and maintains collaborative effective relationships with other organizations including but not limited to Local Boards, State Associations, the National Association and related industries.
- Acts as a direct link with the Local Boards and National Association to communicate and create a platform for collaboration, engagement, growth, and cohesive relationships.
- Plans, coordinates and conducts a public relations program to enhance public acceptance of the industry.
- Effectively advocates or oversees on behalf of the association to governmental institutions, industry partners, and other stakeholders.
- Apply and serve on National committees that are of benefit to the Association.
- The CEO may act as an authorized representative for the Association on any and all state and local governmental matters affecting the real estate industry in the absence of the official spokesperson.
- Engages with members and industry professionals to identify key concerns and address them appropriately.

HAWAII REALTORS® Policy Manual – Chief Executive Officer

Policy Statement – 35.0004

CEO Evaluation Form



Chief Executive Officer Performance Evaluation and Development Form

To be finalized by the Evaluation Team each year prior to January 31st

The purpose of this evaluation is twofold.

- 1) To assess the above and beyond achievement of Collective Strategic Goals. (May be tied to bonus)**
- 2) To assess routine job performance by rating a level of proficiency as determined by the consideration of the following competency factors.**

These competency factors are as follows:

- Legislative & Legal Advocacy
- Legal
- Members & Public Relations
- Member Services & Education
- Technical Support
- Professional Standards
- Personnel Administration
- Finance Administration
- Policy and Procedures
- Leadership Team Support
- Annual and Strategic Planning
- Leadership
- Elected Leader Goals and Priorities

<p>Review Period:</p> <p>Date of Evaluation:</p> <p>Name of Person Being Evaluated:</p>	<p>Performance Rating:</p> <p>5 Substantially exceeds performance standards - Consistently exceeds expectations.</p> <p>4 Exceeds performance standards - Meets Expectations and Sometimes Exceeds.</p> <p>3 Meets performance standards - Meets Expectations Regularly, but sometimes inconsistently.</p> <p>2 Does not meet performance standards - Sometimes meets expectations, but not on a consistent basis and/or inconsistently meets expectations.</p> <p>1 Substantially below performance standards - Does not meet expectations.</p>
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Section I: Status of Strategic Growth and Achievements (Bonus Evaluation)

- Each June-August, the CEO meets with HARs following years' Leadership Team to present a set of 5-7 goals that the CEO feels are the top priority for how they should spend time and resources. The Leadership Team also brings their 5-7 strategic priorities. The goals are broad, but tie back to the strategic plan.
- The Leadership Team and the CEO collectively agree on the 5-7 top priorities for the year ahead and weigh the goals based on importance.

- The CEO presents the status and achievements of agreed priorities to the Board of Directors in December of the next year (15 to 18-month cycle.) This is what the bonus evaluation is tied to.
- The CEO is judged by the Evaluation Team on a 1-5 scale for each agreed upon goal (priorities) This section represents 60 points (60% of the score) on how the CEO expressed the outcome or the “Strategic Results” for each goal.
- The remaining 40 points (40%) of the evaluation scoring is based on “Approach” to accomplishing these strategic results: creating a shared vision; managing goal alignment to the strategic plan; managing fiscal resources to the organization; resourcing the organization to accomplish goals; and collaborating internally and externally.
- The points serve as the evaluation metric and result in a defined % of salary for an annual bonus based on contract parameters.

	*Weight in % Points	**Score 1-5 (5 is the highest)	Points (Weight x Score)
<u>STRATEGIC PRIORITIES (60%)</u>			
1)			
2)			
3)			
4)			
5)			
<u>APPROACH (40%)</u>			
Creating a shared vision			
Manage goal alignment to the strategic plan			
Manage fiscal resources of the organization			
Resourcing the organization to achieve goals			
Collaborating/Communicating Internally and Externally			

Leading the Organization			
<p>Initiative and Motivation:</p> <p>Seeks and grasps new opportunities and responsibilities. Begins appropriate activities without being asked. Places demands on self to achieve results. Promotes creative thinking. Shows concern for issues outside of narrowly defined activities.</p>			

Section II: Job Performance Measures

<u>Evaluation Criterion</u>	<u>Scores</u>					
	1	2	3	4	5	Comments
Board Governance						
<ul style="list-style-type: none"> Assures that the Board of Directors is kept fully informed on the conditions of the Association and on all-important factors influencing it. 						
<ul style="list-style-type: none"> Plans, develops and maintains an operational plan aligned to achieve the Strategic Plan, as well as, operational policies and programs established by the Board of Directors in the strategic plan. 						
<ul style="list-style-type: none"> Provides the necessary liaison and staff support to Committee chairpersons and committees that enable them to properly perform their functions. 						
<ul style="list-style-type: none"> Executes contracts and commitments as may be authorized by the Board of Directors or within established policies. 						
<ul style="list-style-type: none"> Provides support for NAR Directors from Hawaii prior to, during and after NAR meetings and conferences, to include providing pertinent information about issues, meetings, events and motions. 						
<ul style="list-style-type: none"> Carries out such other general responsibilities as may be assigned by the Board of Directors. 						

<u>Evaluation Criterion</u>	<u>Scores</u>					
	1	2	3	4	5	Comments
Executive Leadership and Organizational Management						
<ul style="list-style-type: none"> Engage and collaborate annually with the Leadership Team (President, President Elect, First Vice President, Secretary and Treasurer) in developing and executing Association goals and objectives. 						
<u>Evaluation Criterion</u>	<u>Scores</u>					

	1	2	3	4	5	Comments
Executive Leadership and Organizational Management (continued)						
<ul style="list-style-type: none"> Plans, develops, maintains, and maintains executes an operational plan and calendar, which is clearly communicated to staff and leadership, aligned to achieve the Strategic Plan, as well as, operational policies and programs established by the Board of Directors in the strategic plan. 						
<ul style="list-style-type: none"> Oversees the day-to-day administration, and development of procedures and programs to achieve the goals and policies established by the Board of Directors. All administrative and programmatic decisions must be within established policy parameters set forth in the Association's governing documents. 						
<ul style="list-style-type: none"> Establishes a sound organizational structure for the Association. 						
<ul style="list-style-type: none"> Responsible for recruiting, hiring, training, promoting, terminating and managing employee conflict of Association personnel. 						
<ul style="list-style-type: none"> Defines staff duties, establishes performance standards, conducts performance reviews, and maintains competitive salary and benefits structure. 						
<ul style="list-style-type: none"> Provides support for designated NAR Institute affiliates, RPAC/REALTOR® Party, the Leadership Academy and for local, state and national charitable events. 						
<ul style="list-style-type: none"> Research, acquire and integrate software and technology tools which enhance the business of the Association. 						
<ul style="list-style-type: none"> Ensures that all NAR core standards for local and state associations are met and up to date on an annual basis, or appropriate action is taken with NAR. 						
<u>Evaluation Criterion</u>	<u>Scores</u>					
	1	2	3	4	5	Comments
Financial Management and Administration						

<ul style="list-style-type: none"> Ensures the Association is in legal and tax compliance with all state and federal laws. 						
<ul style="list-style-type: none"> Develops an annual budget that aligns with the strategic and operational plans and assures that all funds, physical assets and other property of the Association are appropriately safeguarded and administered; operates within the budget and financial activity constraints as directed by the Board of Directors. 						
<u>Evaluation Criterion</u>	<u>Scores</u>					
	1	2	3	4	5	Comments
Membership Relationship						
<ul style="list-style-type: none"> Develops and/or coordinates member services and education programs to advance the professional/technical/managerial skills that offers value to the membership. 						
<ul style="list-style-type: none"> Conducts research and related projects, prepares reports and publishes the results on subjects deemed of importance to the membership. 						
<ul style="list-style-type: none"> Plans, organizes and directs membership promotion and retention programs; evaluates results and develops procedures and action to achieve membership goals. 						

<u>Evaluation Criterion</u>	<u>Scores</u>					
	1	2	3	4	5	Comments
External Relations and Communications						
<ul style="list-style-type: none"> The CEO develops and maintains collaborative effective relationships with other organizations including but not limited to Local Boards, State Associations, the National Association and related industries. 						
<ul style="list-style-type: none"> Acts as a direct liaison link with the Local Boards and National Association to communicate and create a platform for collaboration, engagement, growth, and cohesive relationships. 						
<ul style="list-style-type: none"> Plans, coordinates and conducts a public relations program to enhance public acceptance of the industry. 						
<ul style="list-style-type: none"> Effectively advocates or oversees on behalf of the association to governmental institutions, industry partners, and other stakeholders. 						
<ul style="list-style-type: none"> Apply and serve on National committees that are of benefit to the Association. 						
<ul style="list-style-type: none"> The CEO may act as an authorized representative for the Association on any and all state and local governmental matters affecting the real estate industry in the absence of the official spokesperson. 						
<ul style="list-style-type: none"> Engages with members and industry professionals to identify key concerns and address them appropriately. 						

Prepared by:	Date:
President Review:	Date:
President-Elect Review:	Date:
First Vice President Review:	Date:
Immediate Past-President Review:	Date:
Employee Signature *:	Date:

*Signature does not necessarily indicate agreement with the performance review only acknowledgement of the review.

Employee Comments:

HAWAII REALTORS® Policy Manual – Chief Executive Officer

Policy Statement – 35.0005

CEO Succession Plan

Introduction:

This Succession Plan Policy establishes guidelines for the orderly transition of the Hawai'i REALTORS® CEO position, ensuring leadership continuity and the Association's smooth functioning in the event of a planned or unexpected vacancy or extended leave of absence.

Objectives:

The primary objectives of the Succession Plan Policy are as follows:

- a) Maintain operational continuity: Ensure seamless operations during the transition period including adherence to the Strategic / Operational plans.
- b) Evaluate and address organizational needs of the Hawai'i REALTORS®.
- c) Establish a selection process: Establish a fair process for selecting the CEO, considering both internal and external candidates.
- d) Identify potential successors: Identify potential internal and external candidates with the necessary skills, knowledge, and experience to assume the CEO position.
- e) Establish the current CEO's role in creating and implementing a transition checklist.

CEO Search Committee:

Upon the anticipated vacancy, actual vacancy, or resignation of the current CEO, a CEO Search Committee will be nominated by the President and approved by the BOD. The committee will consist of the following members:

- HAR President-Elect (Chair)
- President, First Vice President, and Treasurer
- A Past President
- Two additional members appointed by the President

NOTE: Three of these members shall be from Neighbor Island Boards

The actions and deliberations of the search committee shall be confidential to the search committee except for the approved reports and communications of the search committee.

Responsibilities of the CEO Search Committee:

- Notify and consult with HAR Legal Counsel.
- Appoint an Interim CEO and/or hire necessary support staff.
- In an emergency situation, the President may call a BOD meeting to appoint an Interim CEO and/or hire necessary support staff.
- Notify Staff (a) of CEO's Departure Date, (b) that the approved Succession Plan will be implemented and (c) of the name of the Interim CEO during the transition.
- Develop and implement a notification plan for local board AE's and Presidents, NAR and general membership of the CEO's departure date, name of interim contact person, and the formation of a Search and Transition Committee that will oversee operations and selection of a new CEO.
- Develop and implement a notification plan for other stakeholders of the CEO's departure date and name of interim contact person.
- Mobilize resources to be made available to the Search Committee which may include documents found in Exhibit A.
- Review, evaluate, and update the Job Description, Qualifications, and draft a preliminary employment contract.
- Develop a draft posting and Salary recommendation for the position
- Determine the need for an Executive Search Firm.
- Establish a budget and timeline that covers costs for (a) succession process, (b) Interim CEO and (c) any additional staffing requirements.
- Before proceeding further, obtain board approval for the Budget, Job Description, Qualifications, Preliminary Employment Contract, draft posting for the position and decision to hire an Executive Search Firm.
- Conduct marketing and identification of potential internal and external candidates.
- Establish the candidate selection and interview process.
- Evaluate candidates based on predetermined criteria, with the final selection based on merit, performance, and alignment with strategic goals.
- Submit selected CEO candidate(s) (preferably no more than 3) for final confidential interviews and approval by the Board of Directors.
- Following Board Approval, negotiate the final contract, salary, and benefit package.
- Manage the transition and onboarding procedures, including any necessary adjustments for an interim CEO, if one has been appointed.

Onboarding Plan:

In addition to the current CEO's responsibility to prepare one or more employees to act as an Interim CEO, the current CEO shall also prepare an Onboarding Plan Template and an updated draft for a new job description that can be modified and used for a new CEO. It is anticipated that the new CEO will undergo a structured onboarding process to familiarize themselves with the Association's operations, staff, and strategic priorities. This may involve meetings with key stakeholders, orientation sessions, and mentorship by the outgoing CEO or senior staff. The plan should outline key milestones, timelines, and communication strategies to ensure operational continuity.

After the new CEO has been selected the onboarding plan template and Job Description will be updated by the outgoing CEO or Interim CEO in consultation with the CEO Search Committee and the new CEO.

Outgoing CEO or Interim CEO Support: The CEO Search Committee will act as a liaison with the BOD to provide any support as may be necessary to the outgoing or Interim CEO during the transition period, including temporary staff support.

Communication:

Clear and timely communication throughout the succession planning process is essential. The Succession Planning Committee will communicate updates, progress, and decisions to the Board of Directors, staff, and association members.

Policy Review:

The Succession Plan Policy will be annually reviewed by the Hawai'i REALTORS® CEO Evaluation Committee to ensure readiness and alignment with the Association's evolving needs. The review process may involve feedback from key stakeholders, benchmarking with best practices, and necessary plan revisions.

Conclusion:

We are confident that the information provided in this report on Succession Planning Policies will be adequate in facilitating a seamless transition for the Hawai'i REALTORS® CEO position and would therefore recommend that the Board of Directors adopt the foregoing as additional material to the CEO's Succession Plan Policy Statement 35.0005 .

EXHIBIT A

Mobilized resources to be made available to the Search Committee may include:

1. Exit interview material
2. Performance reviews (past three years)
3. Current CEO contract
4. Consideration of executive search firms and NAR resources
5. Strategic Plan review and analysis
6. Budget analysis for the search process, transition costs, and operational costs relating to the Succession Plan.

HAWAII REALTORS® Policy Statement Manual – Chief Executive Officer

Policy Statement – 35.0006

Compensation and Benefits

With respect to employment, compensation, and benefits to employees, consultants, contract works and volunteers, the CEO shall not cause or allow jeopardy to fiscal integrity or public image.

Accordingly, the CEO may not:

1. Change his or her own compensation and benefits, except as his or her benefits are consistent with a package for all other employees.
2. Promise or imply anything other than “at-will” employment.
3. Establish current compensation and benefits that deviate materially from the professional market for the skills employed.
4. Create obligations over a term longer than revenues can be safely projected.
5. Establish or change retirement benefits which cause unpredictable or inequitable situations.
6. Fail to have in place a Salary Schedule which groups together positions of comparable responsibilities.

HAWAII REALTORS® Policy Manual – Chief Executive Officer

Policy Statement – 35.0007

Treatment of Staff

With respect to the treatment of staff, the CEO may not cause or allow conditions that are unsafe or undignified.

Accordingly, pertaining to paid staff, the CEO shall not:

1. Retaliate against any staff member for non-disruptive internal expression of dissent.
2. Prevent staff from grieving to the Board when (1) internal grievance procedures have been exhausted and (2) the employee alleges that either (a) Association policy has been violated or (b) Association policy does not adequately protect his or her rights.
3. Fail to acquaint staff with their rights under this policy.

HAWAII REALTORS® Policy Manual – Chief Executive Officer

Policy Statement - 35.0008

Calendar

HAWAII REALTORS® will develop and continually update an annual calendar to be posted on the official website of the Association. The calendar will contain at a minimum, internal dates (i.e., staff meetings, committee meetings, BOD meetings), external dates (i.e. seminars, conferences) and when possible, the dates of activities by the local Boards/Associations of REALTORS®.

HAWAII REALTORS® Policy Manual

Policy Statement – 35.0009

Internal Audits & Constraints

The CEO will conduct periodic reviews or audits of internal information and systems to ensure that resources are used, protected and reported in accordance with local, state and federal laws, in compliance with the governing documents of the organization, and stand up to adopted best-practices in the profession.

A periodic audit is a means of determining whether the activities and programs are safeguarding the assets of the association, operating efficiently and overseeing operations consistent with set policy.

The objectives of audits are beneficial; therefore, audits will be conducted to ensure the achievement of these purposes.

The CEO shall not cause nor allow any practice, activity, decision or organizational circumstance that is either unlawful, imprudent, or in violation of commonly accepted business and professional ethics or in violation of NAR requirements or policy.

Please note: This is in addition to the annual financial audit required in the bylaws of the Association.

HAWAI'I REALTORS® Policy Manual

Policy Statement – 35.0010

Treatment of Members, Customers & Volunteers

With respect to interactions with members, customers and volunteers of HAWAI'I REALTORS®, the CEO shall not cause or allow conditions, procedures or decisions which are unfair, unsafe, undignified, unnecessarily intrusive, which fail to provide appropriate confidentiality or privacy or which fail to meet or exceed industry standards for customer service and friendliness.

Accordingly, the CEO shall not:

1. Use volunteer forms that elicit information for which there is no clear necessity.
2. Use methods of collecting, reviewing, transmitted, storing or destroying member, customer information that fail to protect against improper access to the material elicited.
3. Fail to clearly convey to members and customers, a clear understanding of what may be expected from the service(s) offered in a timely fashion.
4. Fail to inform members and customers as appropriate, of this policy or to provide a grievance process to those who believe they have not been accorded a reasonable interpretation of their rights under this policy.

Committee Policies

- 22. Policy 30.20001 – Standing Committees
- 23. Policy 30.20002 – Committee Charters
- 24. Policy 30.20003 – Committee – Task General Policies
- 25. Policy 30.20004 – Committee – Task Force Assignments

HAWAI'I REALTORS® Policy Manual - Committees

Policy Statement – 30.20001

Standing Committees

Standing Committees have one essential role – to strengthen and support the work of HAWAI'I REALTORS® as a whole. Standing Committees never interfere with delegation of duties from the Board to the CEO or from the CEO to staff. Accordingly,

1. Standing Committees help the Board do its job typically by recommending policies and activities and analyzing implications thereof for Board consideration.
2. Standing Committees do not speak or act for the Board except when specifically authorized to do so. Expectations and authority must be carefully stated to prevent conflict with authority delegated to the CEO. The CEO is not expected to obtain approval of a Standing Committee before taking executive action.
3. Standing Committees do not have direct involvement with, or authority over, staff operations. They do not help or advise staff unless specifically assigned to do so.
4. Standing Committees are to avoid over-identification with organizational parts rather than the whole.
5. Each Standing Committee is assigned specific goals to be accomplished within the limits of its authority and within a stated timeframe.
6. This policy applies to any group formed by Board action, regardless of whether it is called a committee, task force or whether the group includes Board Members. It does not apply to committees and/or task forces formed under the authority of the CEO.

HAWAII REALTORS® Policy Manual - Committees

Policy Statement – 30.20002

Committee Charters

Each standing committee for HAWAII REALTORS® will have a Committee Charter. The purpose of the Charter is to outline the specific roles and responsibilities assigned to the Committee as authorized by the Board of Directors.

Each Charter will outline the following minimum terms:

- Number of Committee Members
- Method of Appointment
- Term of Appointment
- Meeting Frequency
- Role
- Responsibilities

Committee Charters must be developed by the Committee and must be approved by the Board of Directors.

Once approved, the Committee reviews and reassesses the adequacy of the Charter annually and proposes any changes to the Board of Directors for their approval.

HAWAI'I REALTORS® Policy Manual - Committees

Policy Statement – 30.20003

Committee, Task Force & Presidential Advisory Group General Policies

Membership

All members in good standing of HAWAI'I REALTORS® are eligible to serve on standing committees, task forces and/or presidential advisory groups, subject to applicable required training and the necessary approval process by the President after consulting with the Board Leadership Team, staff liaisons and/or CEO and ratification of the Board of Directors. The President shall be an ex-officio member of all standing committees.

The President may remove any standing committee, task force or presidential advisory group member, with or without cause, subject to the Board of Directors' approval, and on condition that the President consults with the Board Leadership Team.

Should a vacancy occur, the President after consulting with the Board Leadership Team, staff liaisons and/or CEO, shall appoint a member to complete the unexpired term of committee service as vacated by the previous member, subject to ratification by the Board of Directors.

Quorum

Majority of standing committees, task force or presidential advisory group members unless otherwise stated in the Policies and Procedures manual or in the specified committee charter or task force or presidential advisory group purpose and authority. Ex-officio non-voting members do not count towards quorum.

Policies and Procedures

- I. Standing Committee, Task Force and/or Presidential Advisory Group Chairpersons, Vice Chairpersons & Immediate Past Chairpersons
 - A. Standing committees, task force and/or presidential advisory group chairpersons shall be recommended by the President, after consulting with the Board Leadership Team, staff liaisons and/or CEO, except as otherwise provided in the Bylaws or Policies and Procedures Manual and ratified by the Board of Directors. Standing Committees and/or task force chairpersons are eligible to be appointed for no more than three (3) consecutive one-year terms.
 - B. Should a member of a standing committee be selected to serve in the role of Chairperson or Vice Chairperson, then their term as a committee member ends when their appointment begins. Should they be selected in the future as a voting member of the committee, their term of service would begin again.
 - C. Immediate past chairpersons (if willing and able to serve), can serve for one year on the committee as an ex-officio non-voting member following their term as chair. Their primary function as the ex-officio immediate past chair is that of a resource and they are not a voting member. The immediate past chair must take a one year break from the committee for

which they have served on and then can apply for a voting member position on the committee, subject to all of the current policies, procedures and guidelines for appointments.

- D. Standing committee vice chairpersons shall be recommended by the President, after consulting with the Board Leadership Team staff liaisons and/or CEO, except as otherwise provided in the Bylaws or Policies and Procedures Manual and ratified by the Board of Directors. Standing committee vice chairpersons are eligible to be appointed for no more than three (3) consecutive one-year terms. Should a vice chairperson not be reappointed to serve as the chairperson or vice chairperson of the committee for which they have served, their term ends at the end of the year and they can then apply for a voting position on the committee but is subject to all of the current policies, procedures and guidelines for appointments.

II. General Operational Rules and Procedures

- A. Should a vacancy occur during the year, the President, after consulting with the Board Leadership Team, staff liaisons and/or CEO, may fill any vacancies by appointment for the unexpired term, subject to the terms provided in the bylaws or any applicable conditions imposed by the Board of Directors, by charter or otherwise.
- B. Contact to the General Counsel, C.P.A. or other contracted vendor for HAWAII REALTORS® **must** be channeled through the Chief Executive Officer.
- C. No standing committee and/or task force may contractually or financially bind or obligate the Association or its membership without the prior written approval by the Board of Directors.
- D. All correspondence, contracts and advertisements must be directed to the Association office addressed to the attention of the Chief Executive Officer.
- E. All correspondence and/or press releases shall be approved by the Chief Executive Officer and processed through the appropriate association staff.
- F. Association stationery and the association's logo shall not be used without the express written permission of the Chief Executive Officer.
- G. Committee and/or task force chairpersons and vice chairpersons shall attend an orientation regarding their duties and responsibilities as provided by the Association and the Board Leadership Team.
- H. Committees and/or task force members may not speak or act for the Association except when formally given such authority for specific and/or time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with any other existing policy.
- I. Committees and/or task forces cannot exercise authority over the staff.
- J. Committees and/or task forces are to help the Board of Directors do its job, not to help or advise staff (unless so requested by staff). Committees and/or task forces will most commonly assist the undertaking activities not delegated to the Chief Executive Officer.
- K. Committee and/or Task Force Chairpersons shall abide by and may receive a copy of the following documents:

- Bylaws
 - Policies & Procedures
 - Committee Charter
 - Conflict of Interest Policy
 - Confidentiality Policy
- L. Unless specified in the committee charter and approved by the Board of Directors, Committee members shall serve for a term of three (3) years and shall not serve for more than six (6) consecutive years or (2) consecutive terms whichever is shorter, effective January 1, 2020. Following adoption of these policies, terms shall be staggered with selected members serving for terms of one and two years respectfully. Once the term limit has been reached for service on a committee, members must adhere to a one-year break in service before they can reapply for consideration to the same committee. Members are eligible to apply for service on a new committee immediately.
- M. The Board of Directors may, but is not required to, impose upon or grant to said Task Force such restrictions, obligations, limitations, powers, responsibilities, and duties as the Board of Directors deem appropriate regarding: (i) the purpose for which the Task Force was created, (ii) any restrictions regarding the size or composition of the Task Force, (iii) any applicable voting restrictions or other procedures, (iv) the powers, authority, and duties of the Task Force, if any, (v) the sunset date or event determining the duration of said Task Force, (vi) the method and frequency of the Task Force's reporting requirements, if any, (vi) any other topic or item the board deems appropriate and (vii) appointment of a Task Force member shall run concurrent with the term of the President unless otherwise approved by the Board of Directors.
- N. Hawai'i REALTORS® may provide for an electronic means of which all persons participating in the meeting can hear each other for any committee/task force within the Association so long as the procedures are consistent with the Bylaws of HAWAI'I REALTORS®, N.A.R. Policy and Hawai'i law.
- O. Except as otherwise authorized by the Articles of Incorporation or the Bylaws, any action by a committee and/or task force shall be subject to the approval of the Board of Directors.
- P. Committees and/or task forces may report to the Board of Directors annually or as directed.

III. Meeting Call and Notice

- A. Meetings may be called by the Chairperson of the Committee and/or Task Force, Chief Executive Officer, or the President.
- B. Shall be scheduled through the Association office and the appropriate staff liaison.
- C. Meeting notice will be sent out by the Association staff in advance of all meetings. All committee and/or task force chairs, vice chairs and members shall have electronic mail capacity in order to receive notices, meeting materials and other information.

IV. Meeting Attendance

- A. Failure by a committee and/or task force member to attend/participate three (3) regular or special meetings of their committee and/or task force during the calendar year (or as specified in the committee's charter) shall be construed as a resignation. An automatic resignation from the committee and/or task force takes place at the end of the third absence during the calendar year from regularly or specially scheduled meetings, unless such absence is due to an emergency, such as a death in the immediate family or other valid excuse.
- B. The appropriate staff liaison shall keep an up to date attendance list and meeting minutes on file at the association office.

V. Reporting

All committee and/or task force reports and recommendations must be forwarded to the Chief Executive Officer or their designee for presentation to the Board of Directors for possible action.

VI. Fiscal Responsibility

- A. Budget proposals shall be submitted to the Chief Executive Officer by August 1st for the following year.
- B. Requests for all non-budgeted expenditures must be submitted to the Chief Executive Officer and must be approved when applicable, by the Board of Directors.
- C. Approved budgeted requests will be presented to the appropriate staff for processing
- D. All motions having a financial impact to the association must be submitted to the Chief Executive Officer and must be approved when applicable, by the Board of Directors.

HAWAII REALTORS® Policy Manual - Committees

Policy Statement – 30.20004

Committee , Task Force & Presidential Advisory Group Assignments

HAWAII REALTORS® is a non-profit trade association that represents members of 5 local Member Associations.

HAWAII REALTORS® seeks to benefit from and develop talent across those local Member Associations.

Therefore, HAWAII REALTORS® established these rules for committee and task force guidelines subject to approval by the Board of Directors.

General Committee/Task Force and/or Presidential Advisory Group Guidelines

- When possible, there should be a balance between the number of members serving from each local member association appointed to a committee, task force and/or presidential advisory group. In addition, when possible, consideration should be given to making sure a variety of member types are represented on each committee, task force and/or presidential advisory group (i.e., small/large office, franchise/non-franchise, etc.).

All reasonable consideration should be given to assigning to a committee, task force and/or presidential advisory group, any member who volunteers for committee task force and/or presidential advisory group service and who is qualified for the role or task assigned.

- Meetings will be held either in person or via electronic means such as teleconferencing, video conferencing, etc.
- In-person meetings should be scheduled by the committee task force and/or presidential advisory group chair and the assigned staff liaison. The staff liaison is responsible for securing the meeting space venue and refreshments, meeting notices, meeting packets and/or supporting documents.
- For each standing committee, the President, after consulting with the Board Leadership Team, shall appoint one chairperson, no more than two vice chairperson(s), and committee members, provided that such appointments shall be subject to the ratification of the Board of Directors.
- The President shall have the authority, after consulting with the Board Leadership Team, to appoint such working groups which shall be known as “Task Forces” or Presidential Advisory Groups (PAGS), provided that such appointment shall be subject to ratification by the Board of Directors. The Board of Directors may, but is not required to, impose upon or grant to said Task Force such restrictions, obligations, limitations, powers, responsibilities, and duties as the Board of Directors deem appropriate regarding:
 1. The purpose of which the Task Force was created
 2. Any restrictions regarding the size or composition of the Task Force
 3. Any applicable voting restrictions or other procedures
 4. The powers, authority, duties of the Task Force, if any
 5. The sunset date or event determining the duration of said Task Force

6. The method and frequency of the Task Force's reporting requirements, if any
 7. Any other topic or item the board deems appropriate
- The appointment of a member to a task force or PAG shall run concurrent with the term of the President, unless otherwise specified by the Board of Directors.
 - The President shall, after consulting with the Board Leadership Team, staff liaison and/or CEO, has the authority to remove any standing committee, task force or presidential advisory group member, with or without cause, subject to the approval of the Board of Directors. The President shall, after consulting with the Board Leadership Team, staff liaisons and/or CEO, fill any vacancies by appointment for the unexpired term, subject to the terms provided herein or any applicable conditions imposed by the Board of Directors, by charter or otherwise.
 - The President shall be an ex-officio non-voting member of all standing committees, task forces and presidential advisory groups.
 - Unless specified in the committee charter and approved by the Board of Directors, standing committee members shall serve for a term of three (3) years and shall not serve for more than six (6) consecutive years of (2) consecutive terms whichever is shorter. Once the term limit has reached for service on a committee, members must adhere to a one-year break in service before they can reapply for consideration to the same committee. Members are eligible for service on a new committee immediately.
 - The President shall, after consulting with the Board Leadership Team, staff liaison and/or CEO, has the power authority to appoint, when needed, up to three ex-officio non-voting members to any standing committee, task force and/or presidential advisory group. The appointment of any ex-officio non-voting member to any standing committee, task force or presidential advisory group shall run concurrent with the term of the President, unless otherwise specified by the Board of Directors.
 - The President shall, after consulting with the Board Leadership Team, staff liaison and/or CEO, has the authority to appoint, a leadership team liaison as an ex-officio non-voting member to any standing committee, task force and/or presidential advisory group. The appointment of any leadership team liaison as an ex-officio non-voting member to any standing committee, task force or presidential advisory group shall run concurrent with the term of the President, unless otherwise specified by the Board of Directors.

Financial Policies

Audit & Financial Oversight

- 26. Policy – 20.0000 – Annual Audit
- 27. Policy – 20.0002 – Annual Form 990
- 28. Policy – 20.0004 – Audit Committee
- 29. Policy – 20.0006 – Financial Policies, Conditions and Activities

Disbursements & Payments

- 30. Policy – 20.0008 – Disbursement Approval
- 31. Policy – 20.0010 – HAR Credit Card
- 32. Policy – 20.0012 – Purchasing Policy
- 33. Policy – 20.0014 – Reallocating Expenses within Same Program or Functional Area
- 34. Policy – 20.0016 – Return Check and Charge Policy
- 35. Policy – 20.0018 – Unbudgeted Expenses

Governance, Contracts & Administrative Controls

- 36. Policy – 20.0020 – Access to Association Records
- 37. Policy – 20.0022 – Long Term Contracts
- 38. Policy – 20.0024 – Records Retention Policy
- 39. Policy – 20.0026 – Whistleblower

Membership Dues & Member Categories

- 40. Policy – 20.0028 – Affiliate Members
- 41. Policy – 20.0030 – Distinguished Service Award Recipients
- 42. Policy – 20.0032 – Dues and Assessment Refund Policy
- 43. Policy – 20.0034 – Dues Waiver – Military Service
- 44. Policy – 20.0036 – Filing of Board Membership Lists
- 45. Policy – 20.0038 – Honorary Member
- 46. Policy – 20.0040 – Past Presidents
- 47. Policy – 20.0042 – Payment of Membership Dues
- 48. Policy – 20.0044 – REALTOR® Emeritus Recipients
- 49. Policy – 20.0046 – Special Members

Reserves, Investments & Asset Management

- 50. Policy – 20.0048 – Asset Protection
- 51. Policy – 20.0050 – Investment Policy Statement
- 52. Policy – 20.0052 – Reserve Fund Policy

Travel & Reimbursements

- 53. Policy – 20.0054 – Directors at Large of the National Association of REALTORS®
- 54. Policy – 20.0056 – NAR Director and Committee Reimbursement
- 55. Policy – 20.0058 – Travel and Expense Reimbursement

HAWAI'I REALTORS® Policy Manual – Financial

For purposes of the Financial Policies, the legal name will be Hawai'i Association of REALTORS®, otherwise known as ("Hawai'i REALTORS®"), ("HAR"), ("The Association")

HAWAII REALTORS® Policy Manual – Financial

Audit & Financial Oversight

Policy Statement – 20.0000

Annual Audit

Per the Bylaws of HAWAII REALTORS®, Article XIV – Audit & Financial Statements.

The accounts of the Association will be audited **annually** at the close of the fiscal year by a certified public accountant or certified public accounting firm (outside auditors) designated by the Audit Committee and approved by the Board of Directors.

The annual financial statements of the Association will be made available for inspection by all of its members promptly upon their becoming available. There will be such interim and pre-audit reviews and analysis of the accounts by the Association as may be directed by the Board of Directors.

It is the policy of the HAWAII ASSOCIATION OF REALTORS® that the Audit Committee will recommend to the Board of Directors, the selection, retention or termination of the outside auditors. The Audit Committee will review the selection of the audit firm or auditor no less than every three years, or as needed to ensure that they are meeting the needs of the organization. As part of the review, the Association will issue RFPs to ensure that contracts remain competitive and objective.

HAWAI'I REALTORS® Policy Manual – Financial

Audit & Financial Oversight

Policy Statement – 20.0002

Annual Form 990

Form 990 for HAWAI'I REALTORS® will be drafted for review by the outside accounting firm upon the completion of the annual audit.

The Audit Committee acting on behalf of the Board of Directors will review the Form 990 prior to the Chief Executive Officer signing the document and completing the necessary filing with the appropriate government agency.

The Audit Committee will report to the Board of Directors annually that this has been completed and that copies of the document are available for review.

According to federal law, HAWAI'I REALTORS® will supply Form 990 and 990T, to individuals or firms that request it. Please see Access to Association Records (Policy Statement 20.0020) for additional information.

HAWAI'I REALTORS® Policy Manual – Financial

Audit & Financial Oversight

Policy Statement – 20.0004

Audit Committee**Role:**

The Audit Committee for HAWAI'I REALTORS® acts on behalf of the Board of Directors in meeting its fiduciary obligations and oversees all material aspects of the organization's financial reporting, internal control, and audit functions. The Committee, when necessary, coordinates with other board committees and maintains a strong, positive working relationship with management, external auditors, finance staff, counsel and other committee advisors.

Composition:

7 voting members of the Committee:

- Treasurer of HAR serves as the Chair
- One past President of HAR willing and able to serve
- Three members of the HAR Board of Directors
- Two Members at Large
- President (ex-officio)
- Immediate Past President (ex-officio), if willing and able to serve
- Immediate Past Treasurer (ex-officio), if willing and able to serve

Other than the Treasurer & Past President of HAR, there should be representation from each Local Board.

Recommended by HAR's Leadership Team with final approval by HAR's Board of Directors.

One-year appointments. Reappointment is permissible; subject to approval.

Meetings:

No more than 12 times per year.

Responsibilities:

Review and reassess the adequacy of the committee charter annually and propose changes to the Board of Directors for their approval.

Safeguard the Association's assets, ensuring proper risk-management provisions are in place.

Review and assist the Board in understanding the Association's financial affairs by reviewing the monthly financial reports in a timely manner.

Review with the Chief Executive Officer and outside auditors, the organization's accounting and financial reporting controls. Obtain annually in writing from outside auditors, a letter regarding the adequacy of such controls.

Review with the Chief Executive Officer and outside auditors, significant accounting and reporting principles, practices and procedures applied by the organization in preparing its financial statements. Discuss with the outside auditors, their judgements about the quality – not just the acceptability – of the organization’s accounting principles used in financial reporting.

Review the scope and general extent of the outside auditor’s annual audit. The committee’s review should include an explanation from the outside auditors of the factors considered by the accountants in determining the audit scope, including major risk factors. The outside auditors should confirm to the committee that no limitations have been placed on the scope or nature of their audit procedures. The committee will review annually with the Chief Executive Officer, the fee arrangement with the outside auditors.

Inquire as to the independence of the outside auditors and obtain from the outside auditors, at least annually, a formal written statement delineating all relationships between outside auditors and the organization, including other consulting work being performed by the outside auditors for the organization.

At the completion of the annual audit, review with the Chief Executive Officer and the outside auditors, the following:

- Results of the audit of the financial statements and the related report therein and, if applicable, a report on changes during the year in accounting principles and their application.
- Significant changes to the audit plan, if any, and serious disputes or difficulties to Chief Executive Officer encountered during the audit. Inquire about the cooperation received by the outside auditors about any disagreements with the Chief Executive Officer than, if left unresolved, could have caused them to issue a nonstandard report on the organization’s financial statements.
- Other communications as required to be conveyed by the outside auditors by Statement of Auditing Standards, relating to the conduct of the audit. Further, received a written communication provided by the outside auditors concerning their judgement about the quality of the organization’s accounting principles, and confirm that they concur with the Chief Executive Officers’ representation regarding audit adjustments.
- Discuss with the Chief Executive Officer, the quality of the organization’s financial and accounting personnel (if applicable). Also, elicit comments from the Chief Executive Officer regarding the outside auditors’ responsiveness.
- Meet with the Chief Executive Officer and the outside auditors to discuss any “material” or “serious” recommendations that the outside auditors may have. Typically, such recommendations will be presented by the outside auditors in the form of a “letter of comments and recommendations” to the committee. The committee should review the Chief Executive Officers’ response to the letter and receive follow-up reports on action taken.
- Recommend to the Board of Directors, the selection, retention or termination of the outside auditors. No less than every three years but no more than five years, review the selection of the audit firm or auditor to ensure that they are meeting the needs of the organization.
- As part of the review of the annual financial statements, receive an oral report (at least annually) from the organization’s legal counsel regarding legal and regulatory matters that may have material impact on the financial statements, as needed.

- Subject to prior approval by the Board of Directors, the committee is granted the authority to investigate any matter or activity involving financial accounting and reporting, as well as the organization's internal controls. In that regard, the committee will have access to the organization's external professionals to render advice and counsel in such matters.
- The Audit Committee acting on behalf of the Board of Directors will review the Form 990 prior to the CEO signing the document and completing the necessary filing with the appropriate government agency. The Audit Committee will report to the Board of Directors annually that this has been completed and that copies of the document are available at the association offices for review.

HAWAII REALTORS® Policy Manual – Financial

Audit & Financial Oversight

Policy Statement – 20.0006

Financial Policies, Conditions and Activities

The HAWAII ASSOCIATION OF REALTORS® Financial Policies will be reviewed, updated and approved by the Board of Directors at least every five (5) years or as needed.

This review and update of the Financial Policies is to ensure that the Association's resources are used, protected and reported in accordance with local, state and federal laws, in compliance with the governing documents of the organization, and stand up to adopted best-practices in the profession.

A periodic review is a means of determining whether the activities and programs are safeguarding the assets of the Association, operating efficiently and overseeing operations consistent with set policy.

The objectives of the review are beneficial; therefore, reviews will be conducted to ensure the achievement of these purposes.

With respect to the actual, ongoing financial condition and activities, the CEO will not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in the Strategic Plan.

The CEO will promptly inform the Board if the CEO had deemed it necessary to violate any of the following policies:

Accordingly, the CEO will not:

1. Expend more funds than have been received in the fiscal year to date unless the liquidity and reserve requirements (below) are met:
 - a. The CEO may not indebt the organization.
 - b. The CEO may not borrow from operating reserves in an amount greater than can be repaid/replenished by certain, otherwise unencumbered revenues within 60 days.
 - c. The CEO may not allow the operating reserve fund to drop below that amount equal to 3 months of budget expenses
2. Use any Board-designated reserves funds without Board approval.
3. Transfer money from one unrestricted fund to another in such large amounts that the funds could not be replenished by year-end using available, unrestricted funds.
4. Fail to settle payroll and payables in a timely manner.
5. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.

6. Execute a check with a single signature unless processed by a third-party payment system after approval.
7. Make a single purchase or commitment of greater than \$10,000, unless such expenditure has been explicitly itemized in budget and reported to the Board.
8. Acquire, encumber or dispose of real property.
9. Fail to aggressively pursue receivables aged over 90 days.
10. Obtain revenues from sources that are not, in fact and appearance, legal and consistent with the mission and values of the organization.
11. Use restricted funds for purposes other than stated.
12. Allow there to be any loans, unauditable transactions, or secret funds.
13. Pledge any of the assets of the corporation as security within any contracts.

HAWAI'I REALTORS® Policy Manual – Financial

Disbursements & Payments

Policy Statement – 20.0008

Disbursement Approval

HAR payments will be made by check, credit card, or electronic payment after approval procedures have been followed unless otherwise noted in the Policies and Procedures of the Association.

Typically, the authorized signers are as follows:

- President
- President-elect
- First Vice President
- Secretary
- Treasurer
- Chief Executive Officer
- Director of Operations

The Officers (President, President-elect, First Vice President, Secretary, Treasurer) along with the Chief Executive Officer and the Director of Operations have the authorization to sign all corporate documents on behalf of HAWAI'I REALTORS® from January 1st through December 31st of each calendar year. A resolution confirming this authority for the following year is to be approved annually by the Board of Directors by the last scheduled meeting for the year.

HAR uses the services of an electronic bill payment system. Through an electronic bill payment system, payments can be issued as follows:

- Electronic bill payment system checks
- E-Pay
- HAR physical checks

All disbursements by HAR physical checks will have two signatures; one from an elected officer and one from staff whenever possible. Should the check be made payable to one of the check signers, every effort should be made to obtain signatures from one of the other check signers for these specific checks.

Payments are to be issued within 7-10 days of receipt of the invoice.

Payment authorization through an electronic bill payment system will require approval of all of the following:

- Outside accounting representative
- Director of Operations
- Treasurer
- Chief Executive Officer

When funds are transferred between the Association's approved financial institutions, the transfer's purpose must be stated in supporting documents with reference to the transfer's purpose as approved by the CEO.

HAWAII REALTORS® Policy Manual – Financial

Disbursements & Payments

Policy Statement – 20.0010

HAR Credit Card

- Under the authorization and supervision of the CEO, select HAR staff may be recipients of HAR credit cards.
- Only HAR budgeted expenses may be charged on HAR credit cards, except for personal emergencies approved by the CEO.
- If in the case of an emergency, personal charges made on the HAR credit card will be processed as follows:

Personal emergencies are considered catastrophic and personal in nature to the cardholder. Incidences of theft or injury while out of state and on HAR travel could be deemed as a personal emergency. Validity of a personal emergency will be evaluated on a case by case basis by the Leadership Team.

- All personal charges made, whether deemed as an emergency or not, will be considered an unbudgeted expense. The cardholder, as soon as reasonably possible, will attempt to notify the
- CEO first, and if not available, and then HAR's Director of Operations of any charges made.
- If a personal charge is deemed an emergency, the cardholder will reimburse payment no later than the credit card statement due date and any penalties and fees incurred will be the responsibility of the cardholder. If payment is not made on time or if no payment has been made, the cardholder will have their card revoked and a Form 1099 issued. HAR's CEO will notify the Leadership Team who will be provided the necessary information for appropriate action.
- The Treasurer will review all credit card statements.

Failure to abide by the credit card policy will result in cancellation of the card and any further action deemed appropriate by the CEO, the Leadership Team and/or the Board of Directors.

HAR currently has a credit card that accumulates award points. Points accumulated on the credit card can be used to provide gifts and/or prizes for HAR activities and functions.

HAWAI'I REALTORS® Policy Manual – Financial

Disbursements & Payments

Policy Statement – 20.0012

Purchasing Policy

This policy is designed to account for, verify and authorize payments made on behalf of the HAWAI'I ASSOCIATION OF REALTORS®. In all instances, payment made on behalf of HAR will not be made unless the following conditions are satisfied:

1. The CEO, and his/her designee(s), within the program budget will approve all business transactions with vendors and/or purchases. Any charges or invoices received without specific approval will be considered unauthorized. However, the following exceptions will be permitted:
 - a. Contractual charges (equipment rentals, room rentals, professional fees, etc.)
 - b. Recurring charges as approved in the budget
2. The CEO is responsible for the approval of all payments for expenses and contributions; however, the following responsibilities may be delegated:
 - a. The designee(s) as delegated by the CEO may approve purchases up to \$2,500 within the respectively approved budget areas.
3. Any expense or contribution requests which are not within the approved budget, will be submitted to the CEO and, if outside authority of the CEO, forwarded to the Leadership Team and/or the Board of Directors for their review, recommendation and approval.

However, the CEO may authorize an expense or contribution up to \$10,000:

- a) When normally prudent protection has been given against conflict of interest.
- b) Using the undesignated unrestricted net assets responding to one of the following:
 - i. emergency situations.
 - ii. changes in economic conditions.
 - iii. changes affecting the organization's financial position.
 - iv. the organization's ability to continuously carry out its mission, meet its commitments, obligations and other contingencies.
- c) Only once, between regular board meetings, and the BOD must be notified within 48 hours of the expenditure.

HAWAII REALTORS® Policy Manual – Financial

Disbursements & Payments

Policy Statement – 20.0014

Reallocating Expenses within Same Program or Functional Area

It is the intent of this policy that any funding for a reallocation expense will be within the scope and spirit of the Strategic and Operating Plans. Additionally, any funding request(s) must meet all conditions listed below. Any request(s) which does not meet any single criteria listed below will prevent its funding. If a request does not meet the listed criteria, it may be submitted to the Chief Executive Officer, Leadership Team and the Board of Directors for approval.

1. Expenditures for reallocated expenses may be funded without Leadership Team or Board of Directors approval, provided funds are available from either or both funding sources:
 - a. Excess or unused funds from completed or canceled projects within the approved budget
 - b. Within a program from the same functional* area of the approved budget
2. The proposed expenditure must be consistent with the current HAR Strategic and Operating Plans and will not be deemed unusual or controversial in nature at the time of the funding.
3. The CEO is authorized to reallocate expenditures for amounts less than \$5,000 per budget year. Any reallocation funding request in excess of \$5,000 requires prior approval by the Leadership Team. If a member of the Leadership Team requests funding for a reallocated expense within a program area, that party will abstain from voting should the party benefit directly as a result of the reallocation.

*Functional areas are the programs, products and services within the Strategic Plan and are the basis for the HAR Budget.

HAWAII REALTORS® Policy Manual – Financial

Disbursements & Payments

Policy Statement – 20.0016

Return Check and Charge Policy**Return Checks**

1. Immediately upon return of the check by the bank, HAR will (a) notify the maker; (b) obtain clearance date to redeposit check or secure another source of payment (i.e., cash, credit card or certified funds).
2. A \$25 fee plus any fees charged by the bank will be assessed for any check return by the bank for any reason.
3. If the check is returned a second time, the following will apply:
 - The maker will be immediately notified in writing
 - Payment must be received within 10 days after receipt of written notification
 - Only cash, credit card, cashier's check or money order will be accepted
4. If the above conditions are not met, the information will be submitted to the CEO for their review and appropriate action.

Return Credit Card Charges

1. Call charge customer immediately upon return of the charge slip by bank. Inform him/her that his/her charge slip has been returned. Obtain correct information and resubmit new authorization to the bank.
2. A \$25 fee plus any fees charged by the bank will be assessed for any credit card not authorized for payment by the bank for any reason.
3. If the charge is denied a second time and it is determined that HAR is not at fault, the following will apply:
 - The customer will be immediately notified in writing
 - Payment must be received within 10 days after receipt of written notification
 - Only cash, credit card, cashier's check or money order will be accepted

If the above conditions are not met, the information will be submitted to the CEO for their review and appropriate action.

HAWAII REALTORS® Policy Manual – Financial

Disbursements & Payments

Policy Statement – 20.0018

Unbudgeted Expenses**PREAMBLE**

This policy is intended to set a limit or cap on unbudgeted expenses approved by the Board of Directors.

POLICY

Any motion approved by the HAWAII ASSOCIATION OF REALTORS® Board of Directors subsequent to the annual budget approval which has a budgetary impact greater than \$10,000 must have an associated financial limit placed on that motion.

HAWAII REALTORS® Policy Manual – Financial

Governance, Contracts & Administrative Controls

Policy Statement – 20.0020

Access to Association Records

According to federal law, HAWAII REALTORS® will supply Form 990 and 990T, to individuals or firms that request it. The request must be in person or in writing. If the request is in person, the request will be honored on the day of the request. If the request is in writing, the request will be honored within thirty (30) days. HAR will charge a reasonable copying and postage cost.

Any other requests for association records should be in writing and referred to the Chief Executive Officer or General Counsel for HAWAII REALTORS®.

HAWAI'I REALTORS® Policy Manual – Financial

Governance, Contracts & Administrative Controls

Policy Statement – 20.0022

Long Term Contracts

Any new or renewed long-term contract for the HAWAI'I ASSOCIATION OF REALTORS® in the amount of \$50,000 or more, must be reviewed and approved by the Leadership Team prior to acceptance.

HAWAII REALTORS® Policy Manual – Financial

Governance, Contracts & Administrative Controls

Policy Statement – 20.0024

Records Retention Policy**General Rules**

1. Should the HAWAII ASSOCIATION OF REALTORS® (HAR) become a party to any litigation, HAR will initiate a litigation hold to ensure that no document will be destroyed irrespective of existing policy, without first checking with counsel.
2. Should any HAR document be subpoenaed through litigation in which HAR is not a party, the requested documents and subpoena will be retained by HAR until the litigation is completed. After one (1) year from the date of the document production, and for every one (1) year after that date, the in-house counsel will contact the attorney(s) who issued the subpoena to determine if the documents should continue to be retained.
3. The retention periods identified herein are minimum requirements, and the Chief Executive Officer may establish procedures (for destruction of documents) consistent with those requirements.

Administrative RecordsGovernance and Legal Documents

Board of Director's meeting minutes	Permanent
Deeds	Permanent
Copyright and patent applications and licenses	Permanent
Expired contracts (capitalized goods/services)	5 years after the year in which the asset is disposed
Expired contracts (non-capitalized goods/services)	5 years after the year in which the expenditure was made; contracts with warranties should be retained for the warranty period if it exceeds 3 years
Expired mortgages, leases, promissory notes, and other contracts	7 years after termination
Insurance policies	5 years after expiration
Business correspondence with NAR	Permanent
All other business correspondence	5 years

Personnel Records

Personnel records (accident reports, disability and sick benefits, employee contracts, group insurance records)

7 years after termination

Tax-Exempt Status and Compliance

IRS Determination Letter

Permanent

- Hawaii Association of REALTORS®
- Hawaii REALTORS® Charitable Foundation

Hawaii General Excise Tax Certificate of Exemption

Permanent

ERISA / 401(k) Retirement Plan Records

ERISA Section 107 – Plan Records

At least 6 years from filing date

- Form 5500 (including schedules and attachments)
- Nondiscrimination and coverage test results
- Required employee communications
- Financial reports and supporting documentation
- Evidence of Plan's fidelity bond
- Sponsor's tax returns

ERISA Section 209 – Participant Records

Indefinitely

- Plan documents
- Census data and supporting information
- Participant account records
- Documentation for plan loans, withdrawals, and distributions
- Administrative committee minutes and resolutions
- Trust documents

Accounting Records

Audited Financial Statements	Permanent
General ledger, general journal, cash receipts, cash disbursements, and purchase journals	7 years
All tax returns (i.e., income, general excise, state, federal, etc.)	Permanent
Vendor invoices and monthly statements	7 years*
Customer invoices	7 years*
Operating and sales reports (monthly, quarterly, daily)	7 years
Accounts receivable	7 years
Aging schedules or subsidiary ledgers (monthly statements)	7 years
Monthly bank statements, check images, and financial investments statements	7 years

Payroll Related Records

Payroll register	7 years*
Time cards	7 years*
Payroll tax returns	7 years*
W-4 forms	7 years past employment

*These retention periods run from the date of that the HAR Board of Directors certify the audit for the relevant audit period. No records are to be destroyed until completion of the audit.

Departmental Records

All Committee/Task Force meeting minutes	Permanent
RPAC Minutes	Permanent
RPAC Bylaws	Permanent
Political Action Committee Records (State)	7 years
Records regarding any aspect of RPAC falling within Federal jurisdiction (Hawaii RPAC fund transfers to NAR RPAC)	5 years

HAWAII REALTORS® Policy Manual – Financial

Governance, Contracts & Administrative Controls

Policy Statement – 20.0026

Whistleblower

The REALTORS® Code of Ethics, as amended from time to time and as adopted by the Association, together with the laws of the United States and the State of Hawai'i (collectively the "Code") requires directors, officers and employees to observe the highest standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of HAR, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

REPORTING RESPONSIBILITIES

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

NO RETALIATION

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

REPORTING VIOLATIONS

This Policy reflects HAR's open door policy and encourages employees to share their questions, comments, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's immediate supervisor is in the best position to address an area of concern. However, if an employee is not comfortable speaking with their supervisor or they are not satisfied with their supervisor's response, they are encouraged to speak with the Chief Executive Officer or anyone in management who they are comfortable in approaching. Supervisors and managers are required to report suspected violations of the Code of Conduct to HAR's Compliance Officer, who has specific and exclusive responsibility to investigate all reported violations. In the event that any person wishing to make a report prefers to speak to an outside party, such person may contact HAR's Legal Counsel:

Michael J. O'Malley
Goodsill Anderson Quinn & Stifel, LLP
999 Bishop Street, Suite 1600
Honolulu, Hawaii 96813
Telephone: (808) 547-5836 Fax: (808) 547-5880

COMPLIANCE OFFICER

HAR's Compliance Officer will be designated by the Chief Executive Officer and is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code and, at his/her discretion, will advise the Chief Executive Officer.

The Compliance Officer has direct access to the Leadership Team and is required to report to the Leadership Team on compliance activity, as needed.

ACCOUNTING AND AUDITING MATTERS

The Leadership Team will address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer will immediately notify the Chief Executive Officer and the Leadership Team of any such complaint and work with the Chief Executive Officer and the Leadership Team until the matter is resolved.

ACTING IN GOOD FAITH

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

CONFIDENTIALITY

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

HANDLING OF REPORTED VIOLATIONS

The Compliance Officer will notify the sender in writing and acknowledge receipt of the reported violations within five (5) business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

HAWAII REALTORS® Policy Manual - Financial

Membership Dues & Member Categories

Policy Statement – 20.0028

Affiliate Members

Affiliate Members will be individuals or firms who are Affiliate Members of Member Boards and who have been accepted as a member in the Association in accordance with requirements set from time to time by the Board.

The annual dues of each Affiliate Member will be as established annually by the Board of Directors.

HAWAII REALTORS® Policy Manual – Financial

Membership Dues & Member Categories

Policy Statement – 20.0030

Distinguished Service Award Recipients

Distinguished Service Award Recipients will mean any REALTOR® Members who have been recognized by the NATIONAL ASSOCIATION OF REALTORS® for providing many years of meritorious service with distinction at all levels.

No annual dues for membership in the Association will be required of REALTOR® Members who are recipients of the Distinguished Service Award. The Association will assume responsibility for that portion of the annual dues payable to the National Association. This, however, does not affect a “designated” REALTOR® dues obligation to the Association with respect to those who are themselves not members of the Association.

HAWAI 'I REALTORS® Policy Manual – Financial

Membership Dues & Member Categories

Policy Statement – 20.0032

Dues and Assessment Refund Policy

The HAWAI'I ASSOCIATION OF REALTORS® (HAR) is responsible for processing dues payments billed by local Boards/Associations that cover REALTOR® members in the State of Hawai'i. Unforeseen circumstances or life changing events transpire throughout the year that affect these REALTOR® members.

With this in mind, the HAWAI'I ASSOCIATION OF REALTORS® has established a refund policy that fairly addresses the needs of our members while maintaining fiscal prudence for the association.

HAR will adhere to the following refund policy regarding dues and special assessments.

1. If renewing membership for the new calendar year is **canceled** by the member **prior** to January 1, the HAR dues and assessment fees (if applicable) will be refunded directly to the local Board/Association for further credit to the member if the payment has been sent to HAR.
2. If renewing membership for the new calendar year is **canceled** by the member **on or after** January 1, the HAR dues and assessment fees (if applicable) will not be refunded. Membership is non transferrable. It is left to the discretion of the local Board/Association to refund the local membership dues.
3. For new members joining a local Board/Association during a calendar year, there are no refunds of dues if the funds have already been submitted to the state and national levels. If funds are still being held at the local Board/Association, pending transmission to the state and national, dues may be refunded to the member, if the local Board/Association is refunding local dues as well.

HAWAII REALTORS® Policy Manual – Financial

Membership Dues & Member Categories

Policy Statement – 20.0034

Dues Waiver – Military Service

The HAWAII ASSOCIATION OF REALTORS® will waive their membership dues for REALTORS® who are active duty military and are deployed.

Procedure:

Local Boards, who have membership wishing to take advantage of this policy, must notify HAR as soon as possible so that our records can be noted.

HAR will monitor this group and will periodically follow up with the local Board to determine if the waiver is still needed

HAWAII REALTORS® Policy Manual – Financial

Membership Dues & Member Categories

Policy Statement – 20.0038

Honorary Members

Honorary Members will be any individuals other than those engaged in the real estate business, who have contributed notably to the HAWAII REALTORS®, and who are elected to membership by the Board of Directors.

No dues will be payable by Honorary Members.

HAWAI'I REALTORS® Policy Manual – Financial

Membership Dues & Member Categories

Policy Statement – 20.0040

Past Presidents

No annual dues will be payable by past Presidents of the HAWAI'I REALTORS®. In addition, the HAWAI'I REALTORS® will assume responsibility for the annual dues of the Member Board for such past President(s), including that portion of dues payable by the Member Board to the NATIONAL ASSOCIATION OF REALTORS® if not otherwise paid for or waived by the past President's own Member Board.

HAWAII REALTORS® Policy Manual – Financial

Membership Dues & Member Categories

Policy Statement – 20.0042

Payment of Membership Dues

Member Board dues will be calculated on an annual basis from January 1 through December 31. Member Boards will submit dues payments in full on or before February 28, or within 30 days of the date that a Member was admitted after February 28 to membership. If a Member Board dues are not received by the due date, the Association may impose a 1% per month late payment charge on all outstanding amounts. This rate may be adjusted annually by the Board of Directors.

HAWAII REALTORS® Policy Manual – Financial

Membership Dues & Member Categories

Policy Statement – 20.0044

REALTOR® Emeritus Recipients

Beginning with applications filed as of January 1, 2020, a REALTOR® member who has held membership in HAWAII REALTORS® as a REALTOR® for a cumulative period of forty (40) years and has completed at least two (2) years of service at the state level as an officer, director, committee member or federal political coordinator, will be upon certification by the Board of Directors designated “HAWAII REALTOR® Emeritus.”

No annual dues for membership in HAWAII REALTORS® will be required of REALTOR® Members who are REALTOR® Emeritus (as recognized by HAWAII REALTORS®) and/or if approved by the NATIONAL ASSOCIATION OF REALTORS® or are recipients of the Distinguished Service Award. The Association will assume responsibility for that portion of the annual dues payable to HAWAII REALTORS®. This, however, does not affect a “designated” REALTOR®’s dues obligation to the Association with respect to those who are themselves not members of the Association.

Upon certification of an application for REALTOR® Emeritus by the Board of Directors of the HAWAII REALTORS®, no further payment of dues to the HAWAII REALTORS® is necessary by the member association of which the REALTOR® Emeritus is a member. Please note that the dues waiver does not take effect until the dues years **immediately following** the Board of Directors approval.

A completed application is necessary to begin the approval process for REALTOR® Emeritus status, which must be completed by the candidate with information verified by their local association and HAWAII REALTORS®. Documentation substantiating the candidate’s forty (40) years of membership and two (2) years of service must be attached to the application.

Service is defined as serving as an Officer, Director, committee member or federal political coordinator.

Deadlines –

Completed applications must be submitted to the HAWAII REALTORS® as follows:

- March 31
- June 30
- September 30
- December 31

Applications will be certified at the next scheduled meeting of the Board of Directors of HAWAII REALTORS®. Please note that the dues waiver does not take effect until the dues years immediately following the Board of Directors’ approval.

HAWAII REALTORS® Policy Manual – Financial

Membership Dues & Member Categories

Policy Statement – 20.0046

Special Members

Special Members will mean any individual and/or company who may be a member of a Member Board, but who is not eligible to be either a Board Member or an Institute Affiliate Member of the HAWAII REALTORS®, who has been accepted as a member in the Association in accordance with requirements set from time to time by the Board of Directors.

The annual dues of each Special Members will be established annually by the Board of Directors.

HAWAI'I REALTORS® Policy Manual – Financial

Reserves, Investments & Asset Management

Policy Statement – 20.0048

Asset Protection

The CEO will not allow the assets of the organization to be unprotected, inadequately maintained or unnecessarily risked.

Accordingly, the CEO may not:

1. Fail to insure:
 - a. Against theft and casualty losses to at least 100% of current replacement value, and
 - b. Against liability losses to Board members, staff and the organization itself in an amount equal to or greater than the average of comparable organizations, but no less than a minimum coverage of \$200,000 per occurrence and \$500,000 in aggregate.
2. Allow unbonded personnel access to material amounts of funds, or fail to provide adequate insurance to protect against employee theft and dishonesty.
3. Subject facilities and equipment to improper wear and tear or insufficient maintenance.
4. Unnecessarily expose the organization, its Board or staff to claims of liability.
5. Make any purchase:
 - a. When normally prudent protection has not been given against conflict of interest.
 - b. Of over \$25,000 without having obtained comparative prices and quality.
 - c. Using the undesignated unrestricted net assets unless responding to:
 - i. Emergency situations;
 - ii. Changes in economic conditions;
 - iii. Changes affecting the organization's financial position;
 - iv. The organization's ability to continuously carry out its mission, meet its commitment, obligations and other contingencies.
6. Fail to protect intellectual property, information and files from copyright or other infringement, loss or significant damage.
7. Receive, process or disburse funds under controls that are insufficient to meet the Board-appointed auditor's standards (as set forth in Management Letter and/or other correspondence).
8. Invest or hold operating capital in insecure instruments, or in non-interest-bearing accounts except where necessary to facilitate ease in operational transactions.
9. Endanger the organization's public image or credibility since image is an asset.

HAWAI'I REALTORS® Policy Manual – Financial

Reserves, Investments & Asset Management

Policy Statement – 20.0050

Investment Policy Statement**I. Introduction.**

The HAWAI'I ASSOCIATION OF REALTORS® Fund (hereafter referred to as the “Fund”) was created to provide perpetual financial support to the HAWAI'I ASSOCIATION OF REALTORS® (hereafter referred to as the “Association”). The purpose of this Investment Policy Statement is to establish guidelines for the Fund’s investment portfolio (hereafter referred to as the “Portfolio”). The statement also incorporates accountability standards that will be used for monitoring the progress of the Portfolio’s investment program and for evaluating the contributions of the manager(s) hired on behalf of the Fund and its beneficiaries.

II. Organizational Roles and Responsibilities.

The Investment Committee (hereafter referred to as the “Committee”) is acting in a fiduciary capacity with respect to the Portfolio, and is accountable to the Leadership Team (hereafter referred to as the “LT”) of the HAWAI'I ASSOCIATION OF REALTORS® and to the Board of Directors (hereafter referred to as the “Board”) of the HAWAI'I ASSOCIATION OF REALTORS®, for overseeing the investment of all Portfolio assets owned by, or held in trust for the Association.

There shall be a minimum of 2 members in good standing with the HAWAI'I ASSOCIATION OF REALTORS® with experience in understanding investments and committee members will not receive any compensation. The Chair shall be appointed by the President subject to approval by the Board of Directors.

- A. This investment policy statement sets forth the investment objectives, distribution policies, and investment guidelines that govern the activities of the Committee and any other parties to whom the Committee has delegated investment management responsibility of Portfolio assets.
- B. The Committee will review this investment policy statement at least once per year. Changes to this investment policy statement can be made only by affirmation of the Board, and written confirmation of the changes will be provided to all Committee members and to any other parties hired on behalf of the Portfolio as soon thereafter as is practical.
- C. Any movement of funds in or out of the Portfolio must be approved by the LT, with notification to the Board.
- D. The Committee shall recommend, with approval by the LT, an investment manager(s) to be responsible for management of the Portfolio.
 - i. Appropriate consideration and due diligence shall be performed in selecting an investment manager.

- ii. Contract with investment manager(s) should clearly specify the scope and terms of its services and expectations, and should conform to the investment policy.
 - iii. In keeping with the Portfolio's overall long-term financial objective, the Committee will evaluate Portfolio and investment manager performance, including fees, over a suitably long-term investment horizon, generally across full market cycles, or, at a minimum, on a rolling five-year basis.
- E. The Committee, through a presentation by Investment Manager(s), must approve any changes to Portfolio fund managers (i.e., changes of mutual fund, separately managed account, exchange traded fund or index fund managers). The Committee may, by general resolution, delegate this responsibility to the Chief Executive Officer (CEO) provided that the approved asset allocation does not change. In the event of such delegation, the CEO shall promptly notify the Committee of any such changes.
- F. The Committee must approve any tactical asset allocation changes, within the allocation ranges noted below.

III. Investment Objectives.

- A. The Fund, which has been established a reserve account, is to be invested with the objective of preserving the long-term, real purchasing power of assets.
- B. The investment policies for the Fund contained herein have been formulated consistent with the Association's anticipated financial goals and in consideration of the Association's tolerance for assuming investment and financial risk, as reflected in the majority opinion of the Board.
- C. Policies contained in this statement are intended to provide guidelines, where necessary, for ensuring that the Portfolio's investments are managed consistent with the short-term and long-term financial goals of the Fund. At the same time, they are intended to provide for sufficient investment flexibility in the face of changes in capital market conditions and in the financial circumstances of the Association.
- D. Periodic cash flow, either into or out of the Portfolio, will be used to better align the investment portfolio to the target asset allocation outlined in the asset allocation policy at Section IV.A. herein.

IV. Portfolio Investment Guidelines.

- A. Asset Allocation Guideline
 - 1. The strategic allocation of Portfolio assets across broadly defined financial asset and sub asset categories with varying degrees of risk, return, and return correlation will be the most significant determinant of long-term investment returns and Portfolio asset value stability.
 - 2. The actual returns and return volatility may vary from expectations and return objectives across short periods of time. While the Committee wishes to retain flexibility with respect to making periodic changes to the Portfolio's asset allocation, it expects to do so only in the event of material changes to the Fund, to the assumptions underlying Fund spending policies, and/or to the capital markets and asset classes in which the Portfolio invests.

Fund assets will be managed as a balanced portfolio composed of two major components: an equity portion and a fixed income portion. The expected role of the Fund equity investments will be to maximize the long-term real growth of Portfolio assets, while the role of fixed income investments will be to generate current income, provide for more stable periodic returns, and provide some protection against a prolonged decline in the market value of Portfolio equity investments.

3. Cash investments within the Portfolio will, under normal circumstances, only be considered as temporary Portfolio holdings, and will be used for Fund liquidity needs or to facilitate a planned program of dollar-cost averaging into investments in either or in all three, of the equity, fixed income asset.
4. All cash investment, as noted in the asset allocation section below (5), whether held within the Portfolio or outside the Portfolio in cash reserve accounts shall be placed in investments restricted to insured institutions, such as Federal Deposit Insurance Corporation ("FDIC"), National Credit Union Administration ("NCUA") or Securities Investor Protection Corporation ("SIPC") insurance institutions, and direct or indirect U.S. Government Securities. Any cash balance in any one institution shall be no more than the fully insured amount.
5. Outlined below are the long-term strategic asset allocation guidelines, determined by the Committee to be the most appropriate, given the Fund's long-term objectives and short-term constraints. Portfolio assets will, under normal circumstances, be allocated across broad assets and sub-asset classes in accordance with the following guidelines:

Asset Class	Sub-Asset Class	Strategic Allocation	Tactical Range
Equity		55%	40-70%
	Domestic	50%	50-60%
	International (non-US)	5%	5-15%
Fixed Income		35%	20-50%
	Investment Grade	30%	10-40%
	Below Investment Grade	5%	0-10%
Alternative Investments		10%	0-15%
Cash		0%	0-10%

6. To the extent the Portfolio holds investments in nontraditional, illiquid and/or nonmarketable securities including (but not limited to) venture capital, hedge funds and real estate investments, these assets will be treated collectively as alternative investments for purposes of measuring the Portfolio's asset allocation.

B. Diversification Guideline

1. Diversification across and within asset classes is the primary means by which the Committee expects the Portfolio to avoid undue risk of large losses over long time periods. To protect the Portfolio against unfavorable outcomes within an asset class due to the assumption of large risks, the Committee will take reasonable precautions to avoid excessive investment concentrations.

Specifically, the following guidelines will be in place:

- a) With the exception of fixed income investments explicit guaranteed by the U.S. government, no single investment security shall represent more than 5% total Portfolio assets.
- b) With the except of passively managed investments vehicles seeking to match the returns on a broadly diversified market index, no single investment pool or investment company (mutual fund) shall comprise more than 20% of total Portfolio assets.
- c) With respect to fixed income statements, for individuals' bonds, the minimum average credit quality of these investments shall be investment grade (Standard & Poor's BBB or Moody's BAA or higher).

C. Rebalancing Guideline

It is expected that the Portfolio's actual asset allocation will vary from its tactical asset allocation as a result of the varying periodic returns earned on its investments in different asset and sub asset classes. The Portfolio will be rebalanced to its tactical normal asset allocation under the following procedures:

1. The investment manager will use incoming cash flow (contributions) or outgoing money movements (disbursements) of the Portfolio to realign the current weightings closer to the tactical weightings for the Portfolio.
2. The investment manager will review the Portfolio semiannually (June 30 and December 31) to determine the deviation from tactical weightings. During the semiannual review, the following parameters will be applied:
 - a) If any asset class (equity or fixed income) within the Portfolio is +/- 5 percentage points from its tactical weighting, the Portfolio will be rebalanced.
 - b) If any fund within the Portfolio has increased to greater than 20% of the Portfolio, the fund will be rebalanced.
 - c) Subsequent to these reviews, the investment manager may rebalance at any time to the tactical allocation.
 - d) The investment manager shall act within a reasonable period of time to evaluate deviation from these ranges.

D. Other Investment Guidelines

Unless expressly authorized by the Committee, the Portfolio and its investment managers are prohibited from:

1. Purchasing securities on margin or executing short sales, unless such short sales are part of an alternative investment strategy.
2. Pledging or hypothecating securities for speculation or leverage, unless such derivatives are part of an alternative investment strategy.
3. Purchasing or selling derivative securities for speculation or leverage, unless such derivatives are part of an alternative investment strategy.

4. Engaging in investment strategies that have the potential to amplify or distort the risk of loss beyond a level that is reasonably expected, given the objectives of their Portfolio.

E. Monitoring Portfolio Investments and Performance

The Committee will monitor the Portfolio's investment performance against the Portfolio's stated investment objectives. At least quarterly, the Committee will formally assess the Portfolio and the performance of its underlying investments as follows:

The Portfolio's composition investment performance (net of fees) will be judged against a composition agreed upon benchmark consisting of the unmanaged market indexes weighted according to the strategic asset allocations stipulated by the Portfolio's investment guidelines. Market indexes will be selected by mutual agreement by the Committee and the investment managers.

Investment reports shall be provided by the investment(s) fund managers on a (calendar) quarterly basis or as more frequently requested by the Committee. The investment manager is expected to be available to meet with the Committee at least ~~once~~ twice per year to review portfolio structure, strategy and investment performance.

Please be advised that due to global market fluctuation, a loss to the principal investment may occur.

HAWAI'I REALTORS® Policy Manual – Financial

Reserves, Investments & Asset Management

Policy Statement – 20.0052

Reserve Fund Policy

These Reserve Fund policies are provided as guidelines for managing and providing prudent financial operations for the Association in times of stable operation. The different funds are segregated by purpose unless otherwise stated by specific Board of Director action or as required by the Bylaws or other governing documents.

As noted in some of the funds, a “minimum” or “maximum” is noted. These “minimums” or “maximums” are used as a guideline to assist in budgeting and prudent financial operation. “Minimums” or “maximums” should be evaluated based upon relevance and appropriateness to the current budget and economic environment. Should key internal or external factors place the Association in financial or operational jeopardy, the Board of Directors at its sole discretion, may disregard the segregated purposes and/or “minimums” or “maximums” and use the funds as needed. Such actions may only occur with the express action from the Board of Directors to meet cash flow of the approved budget.

The creation, and maintenance and monitoring of the policies are the responsibility of the CEO; however, the Board of Directors must approve any new policies or deletion of, or changes made to any existing policies. Any prioritization of funds, either in excess of budget or reallocation from one fund to another, will be at the recommendations of the CEO and/or the Leadership Team, but only executed with the express approval of the Board of Directors.

Operating Reserve Fund

Purpose:	The establishment and maintenance of an Operating Reserve Fund to enable the HAWAI'I ASSOCIATION OF REALTORS® (“HAR”) to support business practices and to: <ul style="list-style-type: none"> • Meet commitments, obligations and other contingencies • Promote its members’ confidence in the long-term sustainability of HAR • Create an internal line of credit to manage cash flow and maintain financial flexibility
Funding Mechanism:	The source of the Operating Reserve Fund is the undersigned, unrestricted net assets and the surplus from the annual operations of HAR.
Minimum:	3 months budgeted operating expenses, not including depreciation, to be determined on an annual basis by the approved budget.
Maximum:	6 months budgeted operating expenses, not including depreciation, to be determined on an annual basis by the approved budget.

The Operating Reserve is intended to serve a dynamic role and is available to be utilized as needed rather than being static.

1. Funds for emergency and emerging needs of operating the organization.
2. Funds to meet unexpected organizational needs or shortfall from the actual operations.
3. Funds to stabilize a level of allocations or a level of increased allocation when the special purpose funds are used and could not be replenished with any other source.
4. Funds to make up a deficit in the Board's approved annual budget.

Capital Fund

Purpose:	For purchase of furniture, fixtures and equipment.
Funding Mechanism:	As prescribed in the approved annual budget.
Minimum:	\$30,000
Access procedures:	Approved capital expenditure plan. Should additional unapproved capital expenditures be required, the CEO will obtain prior approval from the Leadership Team. CEO will present rationale and analysis of alternatives along with request for approval. The Board of Directors must approve additional funds in excess of the capital fund.

Legal Action Fund

Purpose:	As defined in the Legal Action Statement of Organization, the purpose of the fund is to provide legal assistance on 1) matters relating to legal proceedings which are important to the real estate industry, 2) matters in which litigation arises because of actions taken in accordance with HAR policies and procedures, and 3) matters where HAR or member Boards are made defendants in which interests of HAR or its members are jeopardized.
Funding Mechanism:	The surplus from annual operations of the organization will be used to fund the Legal Action Fund up to the maximum level. If there is not surplus available or the surplus is not large enough to replenish the fund up to the target level, the fund will be funded with undesignated net assets and/or a draw-down from the Operating Reserve Fund.
Minimum:	\$25,000
Maximum:	\$250,000
Access procedures:	Approval for funding will be obtained from the Legal Action Committee Trustees (Leadership Team) with report to the Board of Directors.

RPAC Reserves

Purpose:	For contribution to political candidates who are sympathetic to the concerns of HAR and real estate and funding associated administrative RPAC expenditures.
Funding Mechanism:	Voluntary contributions
Minimum:	None
Maximum:	None
Access procedures:	Approval by the RPAC Trustees.

Issues Mobilization Reserves

Purpose:	For supporting or opposing state and local issues that impact real property and private property rights in Hawai'i.
Funding Mechanism:	Voluntary member and local Board contributions.
Minimum:	None
Maximum:	None
Access procedures:	Approval by the Leadership Team.

Building Reserve Fund

Purpose:	For the HAWAII ASSOCIATION OF REALTORS® to own its own office and/or building. As approved by the Board of Directors at their meeting on July 21, 2010, the HAR Building Fund was established as a restricted account with \$200,000.
Funding Mechanism:	To be determined by the Building Fund Committee and the Board of Directors.
Minimum:	\$200,00
Maximum:	\$TBD
Access procedures:	To be determined by the Building Fund Committee with approval by the Leadership Team and the HAR Board of Directors.

Unless otherwise noted by a specific committee or individual, oversight of the Reserve Funds is the responsibility of the CEO and the Board of Directors.

HAWAII REALTORS® Policy Manual – Financial

Travel & Reimbursements

Policy Statement – 20.0054

Directors at Large of the NATIONAL ASSOCIATION OF REALTORS®

The President-elect and Immediate Past President of the HAWAII REALTORS® will serve during their term in office, as Directors at Large of the NATIONAL ASSOCIATION OF REALTORS®.

These positions are funded annually through the Association Budget for the REALTOR® Legislative Meeting & the Annual Meeting.

HAWAI'I REALTORS® Policy Manual – Financial

Travel & Reimbursements

Policy Statement – 20.0056

NAR Director and Committee Reimbursement

HAWAI'I REALTORS® serving on NAR Committees for the current year will be eligible for a reimbursement of \$2,000 per year, divided into two \$1,000 reimbursements for each in-person meeting (REALTOR® Legislative Meeting & REALTOR® Annual Meeting) and paid after each designed meeting.

NAR Committees eligible for the reimbursement will be identified by the CEO and the Leadership Team annually; not all committee members attending the NAR Meetings will be eligible for reimbursement.

Effective January 1, 2023 reimbursement for all Hawai'i NAR Directors will be at \$1,000 each per meeting. (NAR Directors specifically representing Hawai'i's small/medium association will also receive an additional \$1000 each per meeting from the Hawai'i small/medium association group) for a total per reimbursement of \$2000 per meeting. Excluded from this reimbursement are HAR's Board of Directors at Large of the NATIONAL ASSOCIATION OF REALTORS® (Policy Statement 20.0054) as these positions are funded annually through the Association's Budget for NAR's REALTOR® Legislative Meeting & the Annual Meeting.

As part of the qualifying requirements for the reimbursement payment, the member must certify that they have completed the following items at each NAR Meeting:

1. Attendance for the entire meeting of their assigned committee
2. Attendance at the HAWAI'I Caucus Meeting
3. Attendance at the Region 13 Caucus Meeting
4. Attendance at the entire meeting of the NAR Board of Directors Meeting (applies to NAR Directors only)

Provide a brief written report from the NAR Committee Meeting, highlighting any action taken (please use the current Request for Reimbursement Form and submit receipts up to the eligible reimbursement for each in-person meeting within 30 days of the NAR Business Meetings). Request for Reimbursements outside of this time period must be approved by the CEO and reported to the HAR Board of Directors via the CEO Report at the next scheduled meeting.

****For tax purposes, individuals should consult their tax professionals. HAWAI'I REALTORS® will no longer issue a 1099 form to the Internal Revenue Service to report the total of any such reimbursements made during the year.**

The authorized reimbursement amount is subject to change and must be approved annually by the HAWAI'I REALTORS® Board of Directors.

HAWAI'I REALTORS® Policy Manual – Financial

Travel & Reimbursements

Policy Statement – 20.0058

Travel and Expense Reimbursement**General Policy**

- General policy will apply to all HAR volunteers and staff who have been approved for travel to authorized events and who seek any reimbursement for expenses incurred on behalf of the Association.
- This travel and expense reimbursement policy contains specific provisions to control and regulate the reimbursement of travel expenses to HAR volunteers and staff so as to avoid abuse of the system.
- This travel and expense reimbursement policy must be adhered to, and some limitations are provided in connection with per diem allowances. Upgrades of any kind are at the traveler's personal expense.
- Limited exceptions may be made only with authorization and approval of the Chief Executive Officer and/or the Leadership Team.
- **All travel expenses and reimbursements (both in-state and out-of-state) are based on the annual approved budget.**
- Authorized travel is for the calendar year and must be taken within the designated time period. Any carryover travel for whatever reason must be approved by the Leadership Team.

Objectives

- To provide authorized business travel on behalf of the Association at the lowest feasible costs, while allowing some reasonable individual discretion to choose the most convenient airline, travel time, hotel or other requirement to accomplish the objectives of the trip.
- To document the allowable travel and business expenses eligible for reimbursement with the use of "expense applications and forms" and "Airfare Reimbursement" forms.
- To reimburse for authorized business travel expenses on a fair and equitable basis, and in a timely manner.
- To ensure compliance with Internal Revenue Service requirements which allows reimbursement for travel expenses that are ordinary, necessary and directly related to the purpose of the Association.
- HAR will not reimburse an expense if the same expense is reimbursed by another source.

Expense Reimbursement Forms

- Please refer to Out-of-State and Inter-state travel for specific details regarding air travel, per diem, ground transportation and accommodations and the authorized use of forms and/or applications.
- Authorized travelers may utilize their own expense application or form as long as it meets the standards set by the HAR Expense Reimbursement Form and original or copies of receipts are attached.
- An expense report with receipts must be submitted to HAR within 30 days of the authorized travel. The report along with the original or copies of receipts must be submitted to the assigned staff liaison for their review and approval prior to payment being authorized. Forms will be available online as well as through each staff liaison.
- Authorization of reimbursement requests past 30 days will be deferred to the Leadership Team for their review and possible action. If any individual is late in submitting their reimbursement requests, after a one-time exemption, the Leadership Team may impose a penalty of up to 25% reduction of the reimbursement amount.
- A Form 1099 will be issued, pursuant to IRS Code, for any expenses paid by HAR for which no receipts are submitted, or if travel is not taken and payment is not returned to HAR.
- Authorized travelers may be allowed daily expenses up to \$75 per day (accumulative) for meals, tips or gratuities, luggage assistance, airport parking for traveler's personal vehicle and reasonable sundry items. The daily expenses are effective for the duration of the event, including travel days as outlined in the Lodging and Per Diem section. Members are required to submit receipts for all expenditures. Upon request, HAR may advance per diem for out-of-state-travel for designated HAR Officers and/or designated NAR Directors as appointed by HAR.
- Reimbursement requests made by the President and the CEO must be approved by the HAR Treasurer; reimbursement requests made by the Treasurer must be approved by HAR President and/or CEO; all other reimbursement requests must be approved by the HAR Treasurer and/or CEO.

Travel Expenses Allowed

Annually, the Operational Plan and the current Budget of HAR will delineate authorized travelers for the association.

Out-of-State

- **Lodging and Per Diem:** For mainland travel, lodging and per diem allowance is effective beginning one day prior to the event and ending one day after the event. For mainland travel in Central and Eastern Standard Time Zones, travel will be effective two days prior to the event and ending one day after the event. HAR will provide a credit card authorization to cover lodging (room and applicable taxes) for authorized length of travel. A personal credit card will be required by the traveler at check in for any additional charges.
- **Air Travel:** For mainland travel, advance reservations are encouraged to obtain the lowest available fare in economy plus, comfort seats, or equivalent. Any further upgrades of any kind are at the traveler's personal expense. Any penalty caused by changes in reservations will be the personal expense of the traveler unless the changes were required by HAR.
 - a) **Direct Travel:** A copy of an "E-ticket" or itinerary showing the ticket number and cost will be required for reimbursement.
 - b) **Travel with Stops:** Should your travel include personal destinations as you travel to/from the scheduled meetings, in addition to the item referenced above, you will be required to submit a copy of the proposed roundtrip airfare from Hawai'i to the meeting destination. The traveler will be reimbursed at the lowest amount.

Airline travel reservations must be made at least 14 days prior to the out-of-state event. Exceptions will be made for meetings and/or events scheduled for less than 14 days in advance.

- **Ground Transportation:** Reimbursement is at the daily rate of up to \$100 for any transportation choice. Total reimbursement for the trip may not exceed the number of travel days multiplied by \$100. Any unused portion may not be applied to other expenses. Rental cars are only reimbursable when other forms of transportation are unreasonable or when the use of a rental car will lower the cost of transportation. **Use of a rental car must be authorized in advance by HAR's CEO to be eligible for reimbursement.** Authorized traveler, renting an automobile while traveling on HAR business, is required to have or to obtain coverage for liability and collision subject to their personal coverage and any additional costs will be covered or reimbursed by HAR.

Inter-State Travel within Hawai'i

- **Lodging and Per Diem:** Any lodging and per diem allowance and/or reimbursement must be authorized by the staff liaison and/or HAR's CEO in advance to be eligible for reimbursement or payment by HAR.
- **Air Travel:** All authorized travel for in state meetings and events must be made through HAR unless authorized by the staff liaison and/or HAR's CEO in advance in order to be eligible for reimbursement or payment by HAR. Airline travel reservations must be made at least 14 days prior to the meeting and/or event. Exceptions will be made for meetings and/or events scheduled for less than 14 days in advance.
- **Ground Transportation:** Reimbursement is up to the daily rate of \$100 for any transportation choice by traveler attending any HAR meetings and/or events. Rental cars are only reimbursable when other forms of transportation are unreasonable or when the use of a rental car will lower the cost of transportation. **Use of a rental car must be authorized in advance by HAR's CEO to be eligible for reimbursement.** Traveler, renting an automobile while traveling on HAR business, is required to have or to obtain coverage for liability and collision subject to their personal coverage and any additional costs will be covered or reimbursed by HAR.

HAR Corporate Airline Awards

- Award points accumulated on HAR's corporate airline account can be used for travel by HAR's volunteers and staff to travel to/from Neighbor Islands and Oahu for HAR and/or local Board meetings and events when needed as approved by the CEO.

General Policies

- 56. Policy 30.00001 – Membership Applicant Qualifications
- 57. Policy 30.00008 – Ghost Member Report
- 58. Policy 30.00012 – Notice of Adoption
- 59. Policy 30.00013 – Apparent Authority
- 60. Policy 30.00016 – Parliamentary Authority
- 61. Policy 30.00017 – Permanent Standing & Special Rules
- 62. Policy 30.00018 – Privacy Policy
- 63. Policy 30.00019 – Harassment
- 64. Policy 30.00030 – Meeting Minutes
- 65. Policy 30.00031 – Qualifications & Criteria for Officer Positions

HAWAII REALTORS® Policy Manual - General

Policy Statement – 30.00001

Membership Applicant Qualifications For HAWAII REALTORS®

HAWAII REALTORS® will also consider the following in determining an applicant's qualifications for REALTOR® membership:

1. All final findings of the Code of Ethics violations and violations of other membership duties in this or any other REALTOR® associations within the past three (3) years
2. Pending ethics complaints (or hearings)
3. Unsatisfied discipline pending
4. Pending arbitration requests (or hearings)
5. Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS
6. Any misuse of the term REALTOR® or the term REALTOR® OR REALTORS® in the name of the applicant's firm

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics: See Article II, Section 4 (a Note 2) provided all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and mandated arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six months from the date that provisional membership is approved.

Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, the association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel.

The Board of Directors (or its appointed designed, i.e., the Membership Committee) shall review and act on all applicants for membership. An application may not be rejected without providing the applicant with an opportunity to appear before the Board of Directors. If the Board of Directors determines that the application should be rejected, it shall record its reasons with the Secretary. If the Board of Directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the Association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.

The Board of Directors may, from time to time, adopt an application fee for REALTOR® Membership in reasonable amount, not exceeding three times the amount of the annual dues for REALTOR® Membership,

which shall be required to accompany each application for REALTOR® Membership and which shall become the property of the Board upon final approval of the application.

Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of membership including the obligations to arbitrate pursuant to Article 17 of the Code of Ethics and payment of Board dues as established in Article III of the Bylaws. The “designated REALTOR®” must be a sole proprietor, partner, corporate officer or branch office manager acting on behalf of the firm’s principal(s) and must meet all other qualifications for REALTOR® Membership established in Article II, Section 2.3 (a) of the Bylaws.

Any REALTOR® Member of the association may be disciplined by the Board of Directors for violations of these Bylaws, the Code of Ethics, or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual of HAWAI'I REALTORS®, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the *Code of Ethics and Arbitration Manual* of the National Association.

If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation, and is suspended or expelled, the firm, partnership or corporation shall not use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership, or unless connection with the firm, partnership or corporation is severed, or management control is relinquished, whichever may apply. The membership of all other principals, partners, or corporate officers shall be suspended or terminated during the period of suspension of the discipline Member, or until readmission of the disciplined Member or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR® who is suspended or expelled removed himself from any form or degree of management control of the firm for the term of the suspension or until readmission to membership, whichever may apply. Removal of an individual from any form or degree of management control must be certified to the Association by the Member who is being suspended or expelled and by the individual who is assuming management control and the signatures of such certification must be notarized. In the event the suspended or expelled Member is so certified to have to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension or until the former Member is admitted to membership in the Association. The foregoing is not intended to preclude a suspended or expelled Member from functioning as an employee or independent contractor, providing no management control is exercised. Further, the membership of REALTORS® other than principals who are employed or affiliated as independent contractors with the disciplined Member shall be suspended or terminated during the period of suspension of the disciplined Member or until readmission of the disciplined Member, or unless severed, or management control is relinquished or unless the REALTOR® Member (non-principal) elects to sever his connection with REALTOR® and affiliate with another REALTOR® Member in good standing in the Association, whichever may apply. If a REALTOR® Member other than a sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership or corporation shall not be affected.

In any action taken against a REALTOR® Member for suspension or expulsion under this policy hereof, notice of such action shall be given to all REALTORS® employed by or affiliated as independent contractors with such REALTOR® Member and they shall be advised that the provisions in this policy shall apply.

Policy Statement – 30.00008

Ghost Member Report

HAWAII REALTORS® will create a report identifying active real estate licensees who are affiliated with brokerages located in the State of Hawai'i that are not members of any of the Member Boards of HAWAII REALTORS®.

As of June 30, of each year, a membership report will be pulled from the current membership management system of HAWAII REALTORS®. This report will be compared to the active real estate licensees in the State of Hawai'i for the same time frame.

Through the comparison of the HAR membership report against the licensee data, active licensees will be identified who appear to be employed by Hawaii-based brokerages but who are not members better known as "Ghost Members".

Ghost Members for each Member Board will be provided along with Multi-Board offices and provided to each local Member Board Association Executive.

It is the responsibility of each Member Board to contact their Member Brokerages regarding these Ghost Members.

HAWAI'I REALTORS® Policy Manual – General

Policy Statement – 30.00012

Notice of Adoption

It is the policy of HAWAI'I REALTORS® that a notice of adoption of any amendments to the Bylaws by the Board of Directors, including text thereof as finally adopted, shall be published in the official publication and/or on the official website of the Association.

HAWAII REALTORS® Policy Manual – General

Policy Statement – 30.00013

Apparent Authority

It is the policy of HAWAII REALTORS® that no person is authorized to bind or make communications for or on behalf of the Association except for official acts or communications.

Official acts and communications on behalf of the association must be authorized by the Articles of Incorporation, the Bylaws or at the direction of the Leadership Team, Board of Directors or the Chief Executive Officer. Communications, either verbal or written, that conflict with the stated position or adopted policy of the Association are not official communications. Leadership should understand that by virtue of their leadership position, their communications that are not official communications may be perceived incorrectly as official communications made on behalf of the Association.

To secure official communication, Association stationery shall be for staff use only.

Business cards shall be for the use of the elected Leadership Team and staff only.

Members of the Board and Committees are not authorized to use association stationery. Except as provided herein, only staff is authorized to prepare written official communications including letters or other communications to be made on behalf of the Association and a copy must be retained in the office of the Association.

Official communications may be made as exceptions to this policy provided (1) the purpose of the letter or other written communication is made known and approved by the Board in advance and (2) a written copy of the outgoing letter or documentation of other communication is provided to staff within 24 hours of dissemination, for permanent file retention

HAWAI'I REALTORS® Policy Manual - General

Policy Statement – 30.00016

Parliamentary Authority

The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the Association in all cases to which they are applicable and in which there are not inconsistent with the HAWAI'I REALTORS® Bylaws and any special rules of order the Association may adopt.

HAWAI'I REALTORS® Policy Manual - General

Policy Statement – 30.00017

Permanent Standing & Special Rules

1. Meetings of the HAWAI'I REALTORS® are private and attendance is restricted to members, staff and other persons who have been specifically invited by the Board. All others are required to leave.
2. The Order of Business will be as follows:
 - 1) Call to Order
 - 2) Permanent Standing & Special Rules for Use in Board Meetings
 - 3) Acceptance of Meeting Minutes
 - 4) Elevator Pitch Review
 - 5) Combined Officer's Report
 - 6) Report of the Treasurer
 - 7) Report of the Chief Executive Officer
 - 8) Report of the Director of Advocacy
 - 9) Committee Updates and/or Recommendations
 - 10) Updates and/or Reports
 - 11) New Business
 - 12) Next Meeting
 - 13) Adjournment
3. Members desiring to speak must be recognized by the Chairperson.
4. All remarks must be directed to the Chairperson, not directly to other members. Personal attacks, vulgarity, or offensive language will result in loss of debate privileges.
5. Debate (discussion) is limited to the pending question/motion being considered for a vote.
 - a. Debate (discussion) is limited to two (2) minutes per person.
6. No video-taping or other electronic recording including AI technology is permitted during any of the meetings.
7. Smoking and/or Vaping is not permitted in the meeting area.
8. The minutes shall not record the opinion, commentary or summary of the substance of reports rendered orally at a meeting. Minutes of the Board of Directors meetings are reviewed by the Elected Secretary. Minutes of Executive Session meetings dealing with personnel matters related to the CEO, are maintained in the offices of the General Counsel.
9. All speakers must observe the standard rules of decorum expressed in the current edition of *Robert's Rules of Order Newly Revised*. Serious or repeated breaches of decorum and/or these rules shall constitute cause for the offending member to be ordered to leave the meeting. [Robert's Rules of Order Revised \(robertsrules.org\)](https://www.robertsrules.org/)

10. All reports must be in writing and submitted electronically (in Word or PDF) to the staff liaison by the established deadline. Any policy motion or resolution, proposed adoption, must be submitted in writing so that the President or staff liaison receives it at least ten (10) days prior to the meeting, and so that it will be made available in advance of the meeting to all members.
11. Suggestions from Board Members regarding matters for Board discussion are to be delivered to the President at least ten (10) days prior to the scheduled Board meeting.
12. Unscheduled items may be added to the agenda under New Business of any Board meeting by an affirmative vote of a majority of the Board members prior to the meeting, or a majority of the members present at the meeting.
13. All business requiring a vote or the approval of the Board (including motions, resolutions, or recommendations arising from reports) must be considered during Committee Updates and/or Recommendations. After Committee Updates and/or Recommendations, only noticed items under New Business will be in order.
14. Meeting packets will be electronically distributed via a link to BoardEffect to the email address on file with the association no later than seven (7) days prior to the meeting. Voting members are responsible for printing all or part of their meeting packet or saving the meeting packet on their electronic device for use during the meeting.
15. It is strongly suggested that electronic devices should only be used by the voting member during the meeting to access the meeting packet and supporting documents as well as participate in the meeting when conducted virtually. During the course of the scheduled meeting, it is strongly suggested that personal business not be conducted. Breaks will be provided so that members can attend to personal business.
16. For all virtual meetings, **Board members must participate and be visible with camera on** and follow proper decorum. Board members should place their microphones on mute when not directly addressing the group or voting.
17. For all virtual meetings, Board members should be in a safe environment with limited or no distractions. Board members should not operate a motor vehicle at any time during the meeting.

HAWAII REALTORS® Policy Manual - General

Policy Statement – 30.00018

Privacy Policy

HAWAII REALTORS® collects and maintains membership information as part of its service to the membership. HAR restricts access to nonpublic personal information about members and their companies and where necessary, to the Board, Committee Chair and Committee Members as well as staff with a business reason to know this information in order to provide services to its members. HAR does not share personal member information without prior approval by the Board of Directors.

HAWAII REALTORS® utilizes a membership management system to secure the data. HAR also utilizes the services of an outside IT providers to ensure that all computer systems within the organization protect the privacy of our membership's information.

HAWAI'I REALTORS® Policy Manual - General

Policy Statement – 30.00019

Harassment

Any member of HAWAI'I REALTORS® may be reprimanded, placed on probation, suspended or expelled for harassment of an Association employee or an Association Officer or Director after an investigation in accordance with the procedures of the Association.

As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contacts, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, President-elect and/or First Vice President and one member of the Board of Directors selected by the highest-ranking officer not named in the complaint, upon consultation with the outside general counsel for the Association.

Disciplinary action may include any sanction authorized in the Association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-elect or First Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest-ranking officer not named in the complaint.

HAWAI'I REALTORS® Policy Manual - General

Policy Statement – 30.00030

Meeting Minutes

The purpose of taking minutes at meetings is to protect the organization and the people who participate in the meeting. The minutes are not intended to be a record of discussions, or serve as a newsletter for the organization but rather to accurately reflect the meeting and decisions that are made. The minutes are to be as brief as possible and only reflect action taken at the meeting.

Accurate minutes shall be kept for all official meetings, including committee and task force meetings.

Minutes shall be a record of what was considered and accomplished at the meeting, not a record of conversations, reports and work assignments. They will not include sidebar conversations, if they occur. Minutes shall indicate the place, date and time of the meeting and the names of all participants at the meeting, including persons arriving late or leaving early, guests and staff.

Drafts of minutes, notes, audio or video recordings shall NOT be retained in the files of the organization, officers, directors, committee members and office once the minutes are APPROVED. The Chief Executive Officer and staff must be sure they are discarded. Minutes shall be safeguarded in the permanent files of the HAWAI'I REALTORS® as outlined in the Record Retention Policy (#20.0012).

Minutes shall be recorded by a designated member or the assigned staff liaison and submitted to the elected Secretary and CEO for review.

Minutes will be distributed within a reasonable time following the meeting to those that attended, those who were suppose to be in attendance and all others as determine by the Board of Directors.

HAWAII REALTORS® Policy Manual - General

Policy Statement – 30.00031

Qualifications & Criteria for Officer Positions

The Hawaii Association of REALTORS® is among the largest and most prominent trade associations in Hawaii. Serving as one of its elected officers is a privilege and requires a person of impeccable integrity, decisive leadership skills, fortitude, vision, and communication skills. Officers must have an understanding of the HAR mission, goals, processes & procedures. These attributes shall fortify a candidate's commitment, enthusiasm, and loyalty to the ultimate purpose of the Hawaii Association of REALTORS® and the well-being of its members.

The purpose of the Qualifications for Elected Officers is to enhance the caliber of the HAR leadership. It is also aspirational in nature for our organization and the candidates. These qualifications are intended to provide a roadmap for our volunteer leaders within HAR, the Member Boards, Institute Affiliates, and MLSs who aspire to serve on behalf of our HAR members as an Elected Officer.

Should an insufficient number of candidates meet the specified qualifications; the Board Development Committee may waive such requirements at their sole discretion and shall note such waiver to the HAR Board of Directors at the time of nomination.

These qualifications are intended to inspire and attract leaders who are committed to the mission of HAR.

HAR Mission

Hawaii REALTORS® serves its membership by providing innovative programs and services to enhance members' ability to successfully practice real estate and collectively promotes real property ownership and the preservation of real property rights.

Qualifications for Candidates Seeking the Position of First Vice President (President-Elect & President)

The role of the First Vice President, among other things, is to serve on HAR & NAR Committees, Presidential Advisory Groups, and Task Forces as appointed; serve on and act as a liaison for the HAR Board Leadership Team; appoint HAR Committee/Task Force Chairs, Vice Chairs & members; serve as a spokesperson for HAR when designated; and be an authorized signatory for legal documents. Upon successfully fulfilling the role as First Vice President, it is expected that the First Vice President shall be elected to the President-Elect of HAR. It is incumbent for the HAR Board Development Committee, the Leadership Team and its Board of Directors that candidates for the First Vice President position can demonstrate the qualities and qualifications desired.

1. Shall be a REALTOR® Member who is an active licensed real estate broker or licensed certified appraiser.
2. Shall have served as President of a Member Board, Institute Affiliate, or MLS and an additional year as an Officer or Director of a Member Board, Institute Affiliate or MLS Board.
3. Shall not have been a Past President of the Hawaii Association of REALTORS®.

4. Shall have served at least two terms at the time of application as a Federal Political Coordinator, or member of an HAR Task Force, Presidential Advisory Group, or Standing Committee member of which one term is served and as a Committee Chair or Vice Chair prior to their application
5. Shall have been a RPAC supporter and investor at the Honu level for one term.
6. Shall have attended NAR Business meetings.
7. Shall have no criminal law convictions within the last 10 years or license law violations indicative of moral turpitude within the last 5 years.
8. As a candidate for First VP, the candidate shall be able to demonstrate the ability to fulfill the duties as prescribed by the job description for the First VP. As a candidate for President Elect and President, the candidate shall have satisfactorily completed duties prescribed by each respective Job Description.
9. It is preferred that a candidate for First VP is a HARLA graduate. If not at the time of application, the candidate shall commit to and complete the HARLA requirements during his/her term as First VP.

Qualifications for Candidates Seeking the Position of Secretary

The role of the Secretary, among other things, is to serve on the Leadership Team, HAR Committees, Presidential Advisory Groups, and Task Forces as appointed; maintain official records of the organization, including Board and organizational policies; assist with the periodic review and revision of the Bylaws; work closely with the President and the CEO in planning the Board of Directors and Annual Meetings and distribution of agendas; ensure the accuracy of recording and distribution of meeting minutes; and be an authorized signatory for legal documents for a one-year term.

1. Shall be a REALTOR® Member who is an active licensed real estate broker or an active licensee for at least the last 3 years or an active licensed certified appraiser for at least the last 3 years, and must be in good standing.
2. Shall have served two terms as a Director or Officer for HAR, a Member Board, or an Institute Affiliate.
3. Shall have served one term as a Committee Chair for HAR, Member Board or Institute Affiliate.
4. Shall have no criminal law convictions within the last 10 years or license law violations indicative of moral turpitude within the last 5 years.

Qualifications for Candidates Seeking the Position of Treasurer

The role of the Treasurer, among other things, is to act as the custodian of the funds and securities and be the disbursing officer of the Association. The Treasurer shall deposit the funds and securities in such depositories and in such manner as the Board of Directors may designate. The Treasurer shall serve as Chair of the Audit Committee. In addition, the Treasurer shall serve on the 401K Administrative Committee as well as the Leadership Team, HAR Committees, Presidential Advisory Groups, and Task Forces as appointed. The Treasurer shall be authorized signatory for legal documents for a two-year term.

1. Shall be a REALTOR® Member who is an active licensed real estate broker or an active licensee for at least the last 3 years or an active licensed certified appraiser for at least the last 3 years, and must be in good standing.
2. Shall have served 1 year as a member of the HAR Finance Committee or Audit Committee.
3. Shall have served 2 years as a Treasurer or Finance Committee Chair at a Member Board or an Institute Affiliate.
4. Shall have no criminal law convictions within the last 10 years or license law violations indicative of moral turpitude within the last 5 years.
5. Shall have no personal bankruptcies within the last 10 years.