

Bylaw Amendments

meeting, upon the recommendation of the Executive Committee for one or more of the following:

(a) Non-performance of the duties of their position as outlined in the Bylaws and/or Policy Manual of the Association; or

(b) A formal request for removal from the Member Association Board of Directors which is represented by that director shall be submitted to WR thirty (30) days prior to any Board of Director's meeting and shall be accompanied by the name of the nominee being submitted to fill the vacant term.

Section 12.

A quorum for the transaction of business by the Board of Directors shall consist of a least 34% of the total membership of such Board of Directors.

ARTICLE VI - MEETINGS

Section 1.

Regular meetings of the members and the Board of Directors of the State Association shall be held each year in the Spring and Fall at such time and place as the Board of Directors shall determine or approve. Notice of the meetings shall be sent to all Members and Board Members entitled to vote at the meeting not less than 10 days nor more than 50 days in advance of the meeting. WR State At-Large Directors shall be confirmed at the annual meeting held in the Spring and such other business transacted as may properly come before such meetings. All Board of Directors meetings are open to all members unless otherwise voted by the Board of Directors.

Section 2.

Special Board meetings may be held upon call of the president or a majority of the membership of the Board of Directors.

Section 3.

Upon petition of a minimum of 10% of the Board of Directors, any action of the Executive Committee may be reviewed by the Board of Directors at the next regular meeting or a special meeting if called by the president.

Section 4.

Notice of all special meetings of the Board of Directors shall be in writing, stating the time and place of such meeting, and, if it be a special meeting, also stating the purpose of such meeting and notice shall be given to each Director of the State Association at least (10) days prior to the time fixed for such meeting to convene.

Section 5.

The State Association, with approval of the Board of Directors, may hold meetings outside the boundaries of the State of Washington.

Section 6.

All association members, committees and staff are authorized and encouraged to use e-mail to facilitate effective and efficient communication to the extent allowed by law.

ARTICLE VII - COMMITTEES

Section 1.

The President-elect shall appoint an Executive Committee to serve during his/her term as president in accordance with Article V, Section 10 a minimum of 90 days prior to assuming the position of president. The Executive Committee shall have full power to act for the board of directors between meetings in accordance with the general guidelines and policies set forth by the Board Of Directors. Members of the Board of Directors who will serve with the president-elect shall be notified of the membership's roster of the Executive Committee without delay. The following Standing committees and the Education Board of Trustees shall be appointed as specified in the policy manual:

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- (a) FINANCE COMMITTEE
- (b) GOVERNMENT AFFAIRS COMMITTEE (includes Legislative Steering Committee and REALTORS® Political Affairs Council)
- (c) BUSINESS PRACTICES COMMITTEE
- (d) PROFESSIONAL STANDARDS SUB COMMITTEE
- (e) INFORMATION SYSTEMS COMMITTEE
- (f) ASSOCIATION OPERATIONS COMMITTEE
- (f) EDUCATION **BOARD OF TRUSTEES**
- (g) LEGAL AFFAIRS COMMITTEE
- (h) NOMINATIONS COMMITTEE

and the arbitration of disputes, and the organization and procedures incident thereto, shall be governed by the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as amended from time to time, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

Section 2.
It shall be the duty and responsibility of every REALTOR® of this Association to abide by the Constitution and Bylaws and the Rules and Regulations of the Association, the Constitution and Bylaws of the State Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of this Association as from time to time amended.

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Section 2.
Special committees and task forces may be appointed as specified in the Policy Manual. The president shall be an ex-officio member of all committees, except the Professional Standards and Nominations Committees.

Section 3.
The composition of committees and terms of committee members shall be specified in the Policy Manual. Committees shall have such duties as their title indicates and as may be outlined in the Policy Manual of the State Association, and as the Board of Directors may assign.

ARTICLE IX - ELECTION OF OFFICERS, VICE PRESIDENTS-ELECT AND NAR DIRECTORS

Section 4.
The past presidents of the State Association shall constitute an Advisory committee which shall be available for consultation by the president, other officers, and directors.

Section 1.
The election of the new officers and Vice Presidents-elect shall be held at the Spring meeting of the Board of Directors described in Article VI, Section 1. The election of NAR Directors shall be held at the Fall meeting of the Board of Directors described in Article VI, Section 1.

ARTICLE VIII - PROFESSIONAL STANDARDS

Section 1.
The responsibility of the Board and of Board Members relating to the enforcement of the Code of Ethics, the disciplining of Members,

Section 2.
All officers, Vice Presidents-elect and NAR directors shall be elected by a majority of votes cast by the state directors present at

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Policy Manual Amendments

4. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.
5. Serve as liaison to the Finance Committee as necessary.
6. Assist president-elect in making appointments to RPAC and Legislative Steering Committee.

Qualifications

1. Must have actively served or be serving in an elective office or directorship of a member association.
2. Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.
3. Must have served as a Director of the State Association.
4. Must have served on a WR Committee the year prior to taking office or have actively served on a state committee for a minimum of (3) three years, of the last (5) five years.

Term - The Vice President-Elect is elected for a term of one year and automatically succeeds to the office of the Vice President.

1.20 Duties and Responsibilities of the Vice President of Education

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Responsibility - Oversee and be responsible for the board of trustees and subcommittee operations that relate to the real estate education activities and course offerings of the Association and serve as a resource/advisor to the professional staff.

Duties - The Vice President of Education shall:

1. Direct, assist and coordinate the activities necessary to handle the basic capacities as assigned.
2. Review all board of trustees actions to assure that such actions are in compliance with the adopted policies, budget and strategic plan.
3. Serve and perform other duties as directed by the President, and maintain continuous liaison with the CEO and Staff Executive to insure proper coordination in the conduct of the Association's business.
4. Attend all meetings of the Association's Executive Committee, Board of Directors, and Board of Trustees.
5. Serve as a member of the Executive Committee and as a Director.

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6. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

Qualifications

1. Must have held the office of Vice President-elect of Education of W.A.R.
2. Must have served one year on one or more education subcommittees for a minimum of one year.
3. Must have served on or be serving in an elective office or directorship of a member association.
4. Must be serving as or have been a Director of the State Association for a minimum period of two years at the time of taking office.
5. Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.

Term - The Vice President of Education is elected to serve for a term of one year and cannot serve more than two successive years in this office.

1.21 Duties and Responsibilities of the Vice President-Elect of Education

Responsibility - Elected by the directors to promote the best interests of the Association.

Duties - The Vice President-Elect of Education shall:

1. Be responsible for all the duties and responsibilities of the Vice President in the event of the Vice President's absence or incapacity.
2. Serve as a member of the Executive Committee and as a Director.
3. Serve and perform other duties as directed by the Vice President.
4. Serve as the Vice Chair of the Board of Trustees.
5. Attend all meetings of the Association's Executive Committee, Board of Directors, and Board of Trustees.
6. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

Qualifications

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Responsibility - Oversee and be responsible for the committee operations that relate to the real estate education activities and course offerings of the Association and serve as a resource/advisor to the professional staff.

Duties - The Vice President of Education shall:
<#>Direct, assist and coordinate the activities necessary to handle the basic capacities in compliance with the adopted policies, budget and strategic plan.

<#>Serve and perform other duties as directed by the President, and maintain continuous liaison with the Chief Executive Officer and Staff Executive to insure proper coordination in the conduct of the Association's business.

<#>Attend all meetings of the Association's Executive Committee, Board of Directors, and standing committee.

<#>Serve as a member of the Executive Committee and as a Director.

<#>Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

Qualifications
<#>Must have held the office of Vice President-elect of Education of WR.

<#>Must have actively served (... [1]

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1. Must have served on or be serving in an elective office or directorship of a Member Association.

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2. Must have served one year on one or more education subcommittees for a minimum of one year.

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3. Must have been a Director of the State Association.

4. Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.

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Term - The Vice President-Elect is elected for a term of one year and automatically succeeds to the office of the Vice President.

1.21(a) Duties and Responsibilities of the Board of Trustees – Member Eastern/ Member Western WA/Member at Large

Responsibility - Appointed by the VP and VP-elect of Education to promote the best interests of the Association.

Duties - The board of trustee member shall:

1. Serve and perform other duties as directed by the Vice President.

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2. Attend all meetings of the Board of Trustees.

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3. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

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Qualifications

1. Must have served on or be serving in an elective office or directorship of a Member Association.

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2. Must be serving as or have been a Director of the State Association.

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3. Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.

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Term - The member-at-large position of the board of trustees is appointed by the VP and VP-elect for a term of three years.

Note: The first western WA member position will be for a two year term. The first member at large position will be a one year term.

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1.21(b) Duties and Responsibilities of the Board of Trustees – Expert in Business

Responsibility – Appointed by the VP and VP-Elect of Education to promote the best interests of the Association.

Duties - The board of trustee member shall:

- 1. Serve and perform other duties as directed by the Vice President.
- 2. Attend all meetings of the Board of Trustees.
- 3. Become familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

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Objective -

To work as an advisor/consultant to the board of trustees chosen during the current environment to meet the needs of the board.

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Term - The business expert position of the board of trustees is appointed by the VP and VP-elect of education for a term of one year.

1.21(c) Duties and Responsibilities of the Board of Trustees – Expert in Education

Responsibility – Appointed by the VP and VP-Elect of Education to promote the best interests of the Association.

Duties - The board of trustee member shall:

- 1. Serve and perform other duties as directed by the Vice President.
- 2. Attend all meetings of the Board of Trustees.
- 3. Become familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

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Objective -

To work as an advisor/consultant to the board of trustees chosen during the current environment to meet the needs of the board.

Term - The education expert position of the board of trustees is appointed by the VP and VP-Elect of Education for a term of one year.

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1.21 (d) Duties and Responsibilities of the Marketing Subcommittee Chair of Education

Responsibility – Appointed by the VP and VP-elect of Education to promote the best interests of the Association.

Duties - The Marketing Subcommittee Chair shall:

1. Direct, assist and coordinate the activities necessary to handle the basic capacities as assigned.
2. Serve and perform other duties as directed by the Vice President.
3. Attend all meetings of the subcommittee.
4. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.
5. Serve on the board of trustees.

Qualifications

1. Must have served on or be serving in an elective office or directorship of a Member Association either at the local, state or national level, or;
2. Must be serving as or have served on an education subcommittee for no less than two years, and;
3. Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.

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Term - The Marketing subcommittee chair is appointed to serve for a term of one year and cannot serve more than two successive years in this office.

1.21(e) Duties and Responsibilities of the Marketing Subcommittee Vice Chair of Education

Responsibility - Elected by the subcommittee to promote the best interests of the Association.

Duties - The Marketing Subcommittee Vice Chair shall:

1. Be responsible for all the duties and responsibilities of the Chair in the event of the Chair's absence or incapacity.
2. Serve and perform other duties as directed by the Vice President.
4. Attend all meetings of the subcommittee.

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5. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

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6. Attend all board of trustees meetings as a non-voting, non-speaking participant.

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Qualifications

1. Must have served on or be serving in an elective office or directorship of a Member Association either at the local, state or national level, or;

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2. Must be serving as or have served on an education subcommittee for no less than two years, and;

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3. Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.

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Term - The Vice Chair is elected for a term of one year and automatically succeeds to the office of the Chair.

1.21 (f) Duties and Responsibilities of the Faculty Subcommittee Chair of Education

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Responsibility – Appointed by the VP and VP-elect of Education to promote the best interests of the Association.

Duties - The Faculty Subcommittee Chair shall:

1. Direct, assist and coordinate the activities necessary to handle the basic capacities as assigned.

2. Serve and perform other duties as directed by the Vice President.

3. Attend all meetings of the subcommittee.

4. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

5. Serve on the board of trustees.

Qualifications

1. Must have served on or be serving in an elective office or directorship of a Member Association either at the local, state or national level, or;

2. Must be serving as or have served on an education subcommittee for no less than two years, and;

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3. Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.

Term - The Faculty subcommittee chair is appointed to serve for a term of one year and cannot serve more than two successive years in this office.

1.21(g) Duties and Responsibilities of the Faculty Subcommittee Vice Chair of Education

Responsibility - Elected by the subcommittee to promote the best interests of the Association.

Duties – The Faculty Subcommittee Vice Chair shall:

1. Be responsible for all the duties and responsibilities of the Chair in the event of the Chair's absence or incapacity.
2. Serve and perform other duties as directed by the Vice President.
3. Attend all meetings of the subcommittee.
4. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.
5. Attend all board of trustees meetings as a non-voting, non-speaking participant.

Qualifications

1. Must have served on or be serving in an elective office or directorship of a Member Association either at the local, state or national level, or;
2. Must be serving as or have served on an education subcommittee for no less than two years, and;
3. Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.

Term - The Vice Chair is elected for a term of one year and automatically succeeds to the office of the Chair.

1.21(h) Duties and Responsibilities of the Designation Subcommittee Chair of Education

Responsibility – Appointed by the VP and VP-elect of Education to promote the best interests of the Association.

Duties - The Designation Subcommittee Chair shall:

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1. Direct, assist and coordinate the activities necessary to handle the basic capacities as assigned.
2. Serve and perform other duties as directed by the Vice President.
3. Attend all meetings of the subcommittee.
4. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.
5. Serve on the board of trustees.

Qualifications

1. Must have served on or be serving in an elective office or directorship of a Member Association either at the local, state or national level, or;
2. Must be serving as or have served on an education subcommittee for no less than two years, and;
3. Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.

Term - The Designation subcommittee chair is appointed to serve for a term of one year and cannot serve more than two successive years in this office.

1.21(i) Duties and Responsibilities of the Designation Subcommittee Vice Chair of Education

Responsibility - Elected by the subcommittee to promote the best interests of the Association.

Duties – The Designation Subcommittee Vice Chair shall:

1. Be responsible for all the duties and responsibilities of the Chair in the event of the Chair's absence or incapacity.
2. Serve and perform other duties as directed by the Vice President.
3. Attend all meetings of the subcommittee.
4. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.
5. Attend all board of trustees meetings as a non-voting, non-speaking participant.

Qualifications

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1. Must have served on or be serving in an elective office or directorship of a Member Association either at the local, state or national level, or;
2. Must be serving as or have served on an education subcommittee for no less than two years, and;
3. Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.

Term - The Vice Chair is elected for a term of one year and automatically succeeds to the office of the Chair.

1.21(j) Duties and Responsibilities of the Curriculum Subcommittee Chair of Education

Responsibility – Appointed by the VP and VP-elect of Education to promote the best interests of the Association.

Duties - The Curriculum Subcommittee Chair shall:

1. Direct, assist and coordinate the activities necessary to handle the basic capacities as assigned.
2. Serve and perform other duties as directed by the Vice President.
3. Attend all meetings of the subcommittee.
4. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.
5. Serve on the board of trustees.

Qualifications

1. Must have served on or be serving in an elective office or directorship of a Member Association either at the local, state or national level, or;
2. Must be serving as or have served on an education subcommittee for no less than two years, and;
3. Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.

Term - The Curriculum subcommittee chair is appointed to serve for a term of one year and cannot serve more than two successive years in this office.

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1.21(k) Duties and Responsibilities of the Curriculum Subcommittee Vice Chair of Education

Responsibility - Elected by the subcommittee to promote the best interests of the Association.

Duties – The Curriculum Subcommittee Vice Chair shall:

1. Be responsible for all the duties and responsibilities of the Chair in the event of the Chair's absence or incapacity.
2. Serve and perform other duties as directed by the Vice President.
3. Attend all meetings of the subcommittee.
4. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.
5. Attend all board of trustees meetings as a non-voting, non-speaking participant.

Qualifications

1. Must have served on or be serving in an elective office or directorship of a Member Association either at the local, state or national level, or:
2. Must be serving as or have served on an education subcommittee for no less than two years, and;
3. Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.

Term - The Vice Chair is elected for a term of one year and automatically succeeds to the office of the Chair.

1.22 Duties and Responsibilities of the Immediate Past President

Responsibility - Serve as an officer of the Association and as a resource to the succeeding leadership.

Duties - The Immediate Past President shall:

1. Direct, assist and coordinate the activities of the following special committees: Nominations and Past President's Council.
2. Serve and perform other duties as directed by the President.
3. Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan.

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 <#>Be responsible for all the duties and responsibilities of the Vice President in the event of the Vice President's absence or incapacity.
 ¶
 <#>Serve as a member of the Executive Committee and as a Director.
 ¶
 <#>Serve and perform other duties as directed by the Vice President.
 ¶
 <#>Serve as the Vice Chair of the Education Committee.
 ¶
 <#>Attend all meetings of the Association's Executive Committee, Board of Directors, and standing committee.
 ¶
 <#>Be familiar with all governing documents of the Association and assist in the implementation of the objectives and strategies of the Strategic Plan. .
 ¶
 7. Serve as liaison to the Finance Committee as necessary.
 ¶
Qualifications
 <#>Must have actively served or be serving in an elective office or directorship of a member association.
 ¶
 <#> Must be actively engaged in the real estate business and hold an active real estate license from the State of Washington.
 ¶
 <#>Must have served as a Director of the State Association. .
 ¶
 <#>Must have served on a WR Committee the year prior to taking office or have actively served on a state committee for a minimum of (3) three years, of the last (5) five years.
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Term - The Vice President-Elect is elected for a term of one year and automatically succeeds to the office of the Vice President.¶

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Composition: The Committee will consist of at least 15 members plus the Vice President of Association Operations, who will serve as chair, and the vice president-elect, who will serve as vice chair. The Vice President-elect shall attempt to have rotating three year terms so that five new members are selected each year.

Areas of Responsibility: Business Conference planning; Bylaws review, credentials/elections; director orientation; local association certification/assistance; and may create and conduct director surveys (either alone or in collaboration with other committees and/or when requested by the Executive Committee). Develop a business plan and budget for this area of responsibility. Ensure that all governing documents are updated after each change has been approved by the Board of Directors.

Committee Procedures:
Committees have the authority to change their internal procedures at any time, so long as those changes are consistent with Board policy.

2.14 Education Board of Trustees

Purpose: Address strategies, programs and basic capacities of Association professional development through its own direct action or by the creation of special committees and task forces to get work accomplished.

Set policy and direction for the education program, evaluate compliance with the business plan, and program effectiveness.

The Vice President is empowered to form special committees, task forces, and work groups to accomplish the objectives of the strategic plan and to address issues, programs and activities within the adopted policies and budget.

The board of trustees hereinafter referred to as the Board will be held responsible for providing input consistent with the shared focus as directed by the Executive Committee.

Composition: The Board will consist of 9 members plus the vice president of Education, who will serve as chair, and the vice president-elect, who will serve as vice chair. There will be three member positions appointed by the VP-elect and will serve for rotating three-year terms so that one new member is selected each year. The Board will also consist of an expert in business and an expert in education to be appointed by VP-elect each for a one year term. There will also be four subcommittee representatives appointed by the VP-elect for a one year term. The four standing subcommittees will meet on an as needed basis and be comprised of volunteers and market experts. The groups will be: Curriculum, Faculty, Designation Management and Marketing.

Areas of Responsibility: Concerns regarding REALTOR® professional development as related to general industry issues; marketing, technology and education innovation; education event planning; and professional designations. A business plan and budget for this area of responsibility will be developed by the Board and serve to guide the Board.

Committee Procedures:

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¶ Set policy and direction for the education program, evaluate compliance with the business plan and program effectiveness.¶

¶ The Chair is empowered to form special committees, task forces, and work groups to accomplish the objectives of the strategic plan and to address issues, programs and activities within the adopted policies and budget.¶

¶ The Committee will be held responsible for providing input consistent with the Strategic Plan as directed by the Executive Committee.

Deleted: The Committee will consist of at least fifteen (15) members plus the vice president of Education, who will serve as chair and the vice president-elect, who will serve as vice chair. The Vice President-elect shall attempt to establish rotating three-year terms for committee members so that five (5) new members are selected each year.¶

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Deleted: Concerns regarding REALTOR® professional development as related to general industry issues; marketing, technology and education innovation; education event planning; and professional designations. Develop a business plan and budget for these areas of responsibility.

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Committees have the authority to change their internal procedures at any time, so long as those changes are consistent with Board policy.

2.14 (a) Faculty Subcommittee

Purpose: Address strategies, programs and basic capacities of Association professional development through its own direct action or by the creation of special committees and task forces to get work accomplished.

Set policy and direction for the education program, evaluate compliance with the business plan, and program effectiveness.

The Chair is empowered to form special committees, task forces, and work groups to accomplish the objectives of the strategic plan and to address issues, programs and activities within the adopted policies and budget.

Composition: The Committee will consist of a minimum of 9 but no more than 12 members plus the chair of the faculty subcommittee, who will serve as chair, and the vice chair, who will serve as vice chair. Committee members will be selected by the President-elect, with input from the vice president and the vice president-elect and will serve for rotating three-year terms so that three members are selected each year.

Areas of Responsibility: Concerns regarding REALTOR® professional development as related to general industry issues; marketing, technology and education innovation; education event planning; and professional designations. Develop a business plan and budget for this area of responsibility.

2.14(b) Curriculum Subcommittee

Purpose: Address strategies, programs and basic capacities of Association professional development through its own direct action or by the creation of special committees and task forces to get work accomplished.

Set policy and direction for the education program, evaluate compliance with the business plan, and program effectiveness.

The Chair is empowered to form special committees, task forces, and work groups to accomplish the objectives of the strategic plan and to address issues, programs and activities within the adopted policies and budget.

Composition: The Committee will consist of a minimum of 9 but no more than 12 members plus the chair of the curriculum subcommittee, who will serve as chair, and the vice chair, who will serve as vice chair. Committee members will be selected by the President-elect, with input from the vice president and the vice president-elect and will serve for rotating three-year terms so that three members are selected each year.

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Areas of Responsibility: Concerns regarding REALTOR® professional development as related to general industry issues; marketing, technology and education innovation; education event planning; and professional designations. Develop a business plan and budget for this area of responsibility.

2.14(c) Marketing Subcommittee

Purpose: Address strategies, programs and basic capacities of Association professional development through its own direct action or by the creation of special committees and task forces to get work accomplished.

Set policy and direction for the education program, evaluate compliance with the business plan, and program effectiveness.

The Chair is empowered to form special committees, task forces, and work groups to accomplish the objectives of the strategic plan and to address issues, programs and activities within the adopted policies and budget.

Composition: The Committee will consist of a minimum of 9 but no more than 12 members plus the chair of the marketing subcommittee, who will serve as chair, and the vice chair, who will serve as vice chair. Committee members will be selected by the President-elect, with input from the vice president and the vice president-elect and will serve for rotating three-year terms so that three members are selected each year.

Areas of Responsibility: Concerns regarding REALTOR® professional development as related to general industry issues; marketing, technology and education innovation; education event planning; and professional designations. Develop a business plan and budget for this area of responsibility.

2.14(d) Designations Subcommittee

Purpose: Address strategies, programs and basic capacities of Association professional development through its own direct action or by the creation of special committees and task forces to get work accomplished.

Set policy and direction for the education program, evaluate compliance with the business plan, and program effectiveness.

The Chair is empowered to form special committees, task forces, and work groups to accomplish the objectives of the strategic plan and to address issues, programs and activities within the adopted policies and budget.

Composition: The Committee will consist of a minimum of 9 but no more than 12 members plus the chair of the designations subcommittee, who will serve as chair, and the vice chair, who will serve as vice chair. Committee members will be selected by the President-elect, with input from the

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vice president and the vice president-elect and will serve for rotating three-year terms so that three members are selected each year.

Areas of Responsibility: Concerns regarding REALTOR® professional development as related to general industry issues; marketing, technology and education innovation; education event planning; and professional designations. Develop a business plan and budget for this area of responsibility.

2.15 Business Practices Committee

Purpose: Address strategies, programs and basic capacities of Association business practices through its own direct action or by the creation of special committees and task forces.

The Chair is empowered to form special committees, task forces, and workgroups to accomplish the objectives of the strategic plan and to address issues, programs and activities within the adopted policies and budget.

The Committee will be held responsible for providing input consistent with the shared focus as directed by the Executive Committee.

Composition: The Committee will consist of at least fifteen (15) members plus the vice president of Business Practices, who will serve as chair and the vice president-elect, who will serve as vice chair. The Vice President-elect shall attempt to establish rotating three-year terms for committee members so that five (5) new members are selected each year.

Areas of Responsibility: Insurance programs, member benefits and services, Legal Hotline, Mediation/Arbitration, Professional Standards, Forms related issues, Equal Opportunity/Fair Housing/Cultural Diversity and Risk Management. Develop a business plan and budget for these areas of responsibility.

Committee Procedures:

Committees have the authority to change their internal procedures at any time, so long as those changes are consistent with Board policy.

2.16 Professional Standards Subcommittee

Purpose: Address strategies, programs and issues regarding the enforcement of the Code of Ethics, and maintain policy and procedures as outlined in the *Code of Ethics and Arbitration Manual* of the National Association of REALTORS®.

- Composition:** The Professional Standards Sub-Committee is a sub-committee of the Business Practices Committee composed of at least fifteen (15) members plus a Chair and Vice Chair who will be appointed by the Vice President of Business Practices, with approval of the President. Committee members shall be selected by the Professional Standards Sub-Committee Chair, with approval by the Vice President of Business Practices, from a list of members who currently serve, or have served, within the last three (3) years

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as local association Professional Standards and/or Grievance Committee is involved and where the legal issues are of substantial significance to the real estate industry, as determined by the Legal Affairs Committee.

2. Support the representation of Members and Member Associations threatened by litigation that presents an opportunity for a clarifying precedent or legal issue of significance to a substantial portion of the membership, as determined by the Legal Affairs Committee.
3. Defray the costs of and fees charged to the Legal Affairs Committee, including costs and expenses of the committee and committee members' attendance at special meetings, in connection with its involvement and participation in the Legal Affairs Program in furtherance of these purposes.

Composition: The Legal Affairs Committee shall consist of ten (10) members, three (3) of which are real estate attorneys, plus a chair and vice chair. The President will select the chair for the Legal Affairs Committee, taking into consideration recommendations from the Committee. A Candidate who has served on this committee the prior year is preferred, although this is not mandatory. The President-Elect will select the vice chair, with concurrence from the President. Committee members will be selected by the President-elect, with input from the chair and the vice chair and shall be appointed for three-year terms, except for appointment to fill vacancies in un-expired terms, which appointments shall be for the unexpired term of the vacancy. The appointed chair will select and fill any committee vacancies with confirmation from the President. Meetings shall be at the call of the President or chair of the Committee. Non-voting members may be added by the chair and the President of the Association.

Areas of Responsibility: The Legal Affairs Committee - and through it the Legal Affairs Fund - will be used primarily in a proactive role, finding and supporting the filing of high quality litigation that addresses major industry issues, rather than reacting to cases which benefit only a small segment of the real estate community. Supporting litigation of statewide significance is designed to assist the Washington REALTORS® in eliminating, reducing, or modifying laws and administrative decisions which adversely affect the real estate industry and the right to buy and sell real property. Develop a business plan and budget for these areas of responsibility.

Committee Procedures:

Committees have the authority to change their internal procedures at any time, so long as those changes are consistent with Board policy.

2.22 Litigation Management and Notification

Notification of Legal Matters.

The CEO shall notify the President, Executive Committee, and Legal Affairs Committee upon receipt of either (1) a complaint or summons naming Washington REALTORS® as a defendant; or (2) a written communication from a government agency stating that Washington REALTORS® may be in violation of law or is subject to an investigation. The CEO shall also notify the President, Executive Committee, and Legal Affairs Committee prior to filing any litigation relating to the operations, management, or other internal functions of Washington REALTORS®. The

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President, Executive Committee, and Legal Affairs Committee shall be notified at regular committee meetings of the status of legal matters subject to the notice provisions of this section.

**Litigation Management Team from Executive Committee and Legal Affairs Committee–
Convening and Composition.**

As soon as practicable after such notification by the CEO, the Executive Committee shall review the nature of the legal matter and upon advice of legal counsel, may convene a Litigation Management Team (LMT). However, the Executive Committee shall not convene the LMT for legal matters relating to human resources unless a complaint has been filed and only after consulting with legal counsel. The Litigation Management Team shall consist of 5 or 7 members selected by the Executive Committee, plus the CEO. At least two members of the LMT must be members of the Legal Affairs Committee, plus the Chair of the Legal Affairs Committee, and at least two members of the LMT must be members of the Executive Committee. The LMT may include individuals who are not members of the Executive Committee, the Legal Affairs Committee, or of Washington REALTORS®, if such individuals have education or expertise relevant to the subject matter of the legal matter to be considered by the LMT.

Litigation Management Team – Determination of Authority by Executive Committee.

If the Executive Committee determines that the LMT should be convened, the Executive Committee, after consulting with legal counsel, shall approve by motion, the specific role of the LMT and the extent of authority delegated to the LMT, including but not limited to whether the LMT is acting in an advisory role to the Executive Committee or whether the LMT has authority to approve settlements or actions binding on Washington REALTORS®. All members of the LMT will have equal authority, regardless of whether a member of the LMT is a member of Washington REALTORS®. The Executive Committee, after consultation with legal counsel, shall approve by motion, what actions and processes will be followed by the Executive Committee and LMT to protect attorney-client and work-product privileges.

Consultation to Litigation Management Team.

The Executive Committee or LMT, after consulting with legal counsel, may seek the advice and input of the Legal Affairs Committee in a manner that protects attorney-client and work-product privileges.

Notification and Approval of Settlements.

The Board of Directors shall be notified of the settlement of any legal matter subject to the notification provisions of this section if the amount of the settlement, including penalties or fines, excluding attorneys fees and costs, exceeds \$25,000, subject to the terms of the settlement. If such settlement relates to human resources matters, the notification will be limited to the fact of the settlement, but will not include the details of the settlement.

The Executive Committee has full authority to approve the settlement of any legal matter in which the settlement amount, excluding attorneys fees and costs, does not exceed \$1,000,000. This authority may be delegated to the LMT. The settlement of any legal matter in which the settlement amount, regardless of the source, including penalties or fines, excluding attorneys fees and costs exceeds \$1,000,000 shall be approved, at the discretion of the Board of Directors, by either the Executive Committee or by a settlement committee to be jointly appointed by the President and Chair of Legal Affairs, with input from the CEO and legal counsel, and ratified by the Board of Directors. If circumstances require, the settlement authority of the Executive Committee or settlement committee may be delegated to a smaller sub-group consisting of members of the committee with settlement authority.

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- A. Requests for funding between \$5,000 and \$25,000 may be authorized with the approval of the President, the Legal Affairs Chair, the Chief Executive Officer and the Government Affairs Director.
- B. Requests for funding between \$25,000 dollars and \$50,000 dollars may be authorized by the Legal Affairs Committee and the Chief Executive Officer.
- C. Requests over fifty thousand (\$50,000) dollars may be authorized with the approval of the Board of Directors; or Executive Committee if it would not be practical to wait for a Board meeting*.

* *NOTE: When an issue is of time-sensitive nature, the Legal Affairs Committee can hold a special meeting or meet by conference call and take one of the actions outlined in 10. A – F below. If Executive Committee action is necessary, this body can conference call, meet, or in an emergency, be polled by telephone.*

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Funding of legal actions.

The Legal Affairs Committee shall be informed in a timely manner of any legal affairs funding decision taken by less than the full Legal Affairs committee.

The Legal Affairs Committee shall update the Executive Committee at the Executive Committee's regular meetings on the status of cases funded by the Legal Affairs Committee.

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- 9. Upon receipt of a funding request, the appropriate body or persons (see above) should take one of the following actions:
 - A. Grant funding request in full;
 - B. Grant a portion of funding request;
 - C. Deny funding request;
 - D. Provide funding if certain conditions are met (as required by the appropriate body or persons);
 - E. Postpone a decision until the appropriate body or persons receive more definitive information;
 - F. Refer request to a higher approving body.

- 11. If the request has been approved, the staff executive will explain how the payment of monies will occur and what submissions are necessary to confirm costs, expenses, and fees for reimbursement.

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Decision Matrix Amendments

Washington REALTORS®

DECISION MATRIX

For approval by the Board of Directors
September 24, 2010

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CHARTING OF DECISION-MAKING RELATIONSHIPS

Rationale:

In the Washington REALTORS®, the Board of Directors has the ultimate authority, responsibility and accountability for all that does and does not happen. However, as the affairs of WR cannot be efficiently managed in that manner, the Board has empowered the Executive Committee and the Standing Committees to act on their behalf. The Executive Committee has also secured the services of a Chief Executive Officer and professional staff and has delegated certain authority and responsibility to them.

For the organization to work smoothly, it is essential that those working to serve the Board of Directors understand where delegated authority, responsibility and accountability for various functions and decisions lie. It is also essential to have a clear understanding of who in the organization must be consulted before a decision is made, and who should be informed of a decision when it has been made.

In many cases, simply separating functions between direction-setting and management functions (or between policy and operating decisions) is not sufficient to ensure that all necessary members of the organization have appropriate expectations or an adequate understanding of the expectations of others within the organization. The process of “Charting Decision Making Relationships“ has been designed to aid the involved members of the organization to think through and document the decision-making relationships within the organization.

It should be noted that although this general approach could be used to document decision-making relationships among the staff of WR, this specific process is not appropriate and should not be used for that purpose. For the purpose of this process, it is to be assumed that any authority or responsibility given to the Chief Executive Officer can be delegated to members of the staff. Only the Chief Executive Officer’s accountability to the Board of Directors and Executive Committee cannot be delegated.

The process:

Each type of decision reserved to the Board of Directors, or delegated to the Executive Committee, Treasurer, Standing Committee, or the Chief Executive Officer – and for which the decision-making relationships need to be established – should be listed on the worksheet under “*Description of Decision.*“

Then the role of each of these elements of the organization should be noted in the appropriate column with the appropriate letter code.

Definition of Decision-Making Roles:

- A. **Decision Maker**—The person or group within the organization who has the authority and responsibility to make the decision. This person or group may seek advice or receive recommendations from others and need to advise others once the decision is made.
- B. **Make Recommendation to Decision Maker**—The person or group within the organization responsible for making a recommendation for decision making to the decision maker. This person or group may use other sources within the organization to study and develop the recommendation and may seek advice from other segments of the organization.
- C. **Must be Advised**—Any person or organization segment that must be advised about a decision that has been made. If the decision is to be disseminated publicly or to the organization, or both, such person or segment of the organization is to be advised beforehand.
- D. **Must be Consulted**—Such person or group must be consulted prior to any decision being made or approval granted, to confer, render advice or provide information. The person or group being consulted does not make the decision or grant approval, but does have veto power.
- E. **May be Consulted**—Such person or group may be called in to confer, provide information, render advice or make a recommendation.

ROLES OF

<i>Description of Decision</i>	<i>Board of Directors</i>	<i>Executive Committee</i>	<i>President</i>	<i>Treasurer</i>	<i>Vice President/ Committee Chair</i>	<i>Chief Executive Officer</i>
CEO Compensation/ Responsibilities						
1) Hiring Chief Executive Officer	C	A				
2) Evaluation of Chief Executive Officer's performance.		A	B			C
3) Establishing Chief Executive Officer's compensation.		A				C
4) Acceptance by Chief Executive Officer of any gift from a vendor with a value of more than \$75 (i.e., golf outing, tickets to athletic event, etc.)		C				A
Budget/Fiscal Control						
1) Approving Annual Budget	A	B		B		B
2) Formulate Draft Annual Budget				D		A
3) Overspend budget line items.		A	C	B	B	B
4) Overspend overall budget by not more than one (1) percent of total operating budget, as long as operating reserves do not fall below six (6) months reserve policy.		A	C	B	B	B
5) Capital Expenditures over \$10,000.		A	C	B	B	B
6) Capital expenditures \$5,000-\$10,000 (budgeted).			C	C	C	A
7) Capital expenditures \$5,000-\$10,000 (non-budgeted)..		A	C	B	C	B
8) Capital expenditures less than \$5,000 (budgeted).						A
9) Capital expenditures less than \$5,000 (non-budgeted).		C	D	D	C	A
10) Approve CEO's travel and credit card expenses.				A		
Programs, Products, & Services						
1) New programs, products or services not specifically named but approved within the budget.	C	C		E		A
2) Conferences and Meetings programs.	C	A			B	B
3) Conferences and Meetings cities.	C	A			B	B
4) Selection of or change in strategic alliances.	C	A				B

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Draft Revisions Decision Matrix -- Page 4 (09/24/10)

	<i>Board of Directors</i>	<i>Executive Committee</i>	<i>President</i>	<i>Treasurer</i>	<i>Vice President/ Committee Chair</i>	<i>Chief Executive Officer</i>
Organization						
1) Approve Decision Matrix.	A	B				B
2) Employment of Strategic Planning Facilitator.		A			A	B
3) Develop Strategic Plan.		A		D	D	B
4) Approves Strategic Plan.	A	B				
5) Develops Committee Business Plans and changes to plans.	C	C			A ¹	B
6) Develops Association Business Plans and changes to plans.		A			B	B
7) Approves Association and Business Plans and changes to plans.	A	B			B	
8) Marketing plan and changes to plan.	C	A		B	B	B
9) Bylaw changes.	A	B				B
10) Elect WR Officers and Directors.	A					
11) Executive Committee and Board of Directors agenda.		E	A			B
12) Facilities changes.	C	A				B
13) Employment of auditing firm.	C	A		B		B
14) Employment of Association General Counsel.	C	A				B
15) Employment of consultants, attorneys, researchers, etc.		D			D	A
Personnel Issues						
1) Salary ranges of staff.	C	A				B
2) Changes in staff benefits.		A		D		B
3) Changes in Personnel Manual.		C				A
4) Employment and/or appointment of CEO's direct reports.		C				A
5) Establishing staff incentives or bonus programs.		E				A
6) Establishing new employee positions, grade levels, and job descriptions.	C	C				A
7) Management changes—resignations/hires, terminations and reassignments.	C	C				A
Legislative and Regulatory Affairs						
1) Review proposed legislation.					A	B
2) Collect RPAC monies.					A	B

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A = Decision Maker; B = Makes Recommendation to Decision Maker; C = Must be Advised; D = Must be Consulted; E = May be Consulted

Legal Affairs	<i>Board of Directors</i>	<i>Executive Committee</i>	<i>President</i>	<i>Treasurer</i>	<i>Vice President/ Committee Chair</i>	<i>Chief Executive Officer</i>
1) Lend Association name to outside ³ lawsuit	C	C			A	B
2) Contribute funds to outside lawsuit	A ⁴	A ⁴		E	A ⁴	A ⁴
3) Initiate litigation with WR as lead Plaintiff	A ⁵	A ⁵			B/D	B/D
4) Initiate defense if WR is named as a Defendant/Respondent	C/E	C/E			C/E	A ⁶
5) Monitor status of Association supported cases	E	E/C			C	A
6) Approval of Legal Affairs Committee meeting agenda						
Litigation Management						
1) Whether to establish Litigation Management Team (LMT)		A ⁷				
2) Determine role and extent of authority delegated by Executive Committee to LMT, and membership on LMT.		A ⁸				
3) Approval of settlement in which settlement amount, excluding attorneys fees and costs, does not exceed \$1 million.		A ⁹				
4) Approval of settlement in which settlement amount, excluding attorneys fees and costs, exceeds \$1 million.	A ¹⁰					
5) Appointment of settlement committee.			A ¹¹		A	D

Notes:
Notes:

¹ The Treasurer, as chair of the Finance Committee, is the “Decision Maker” when developing business plans for the Finance Committee.

² Candidates for statewide office are interviewed by a panel whose membership is defined in the WR. Policy Manual. This group is then the “Decision Maker” of who will receive WR endorsement for election.

³ “Outside” lawsuit is defined as any suit that originates from other than the WR (but see Policy Manual and Decision Matrix sections on Litigation Management for legal matters involving the operations, management, or other internal functions of WR.)

⁴ The Legal Affairs Committee and CEO act as the decision makers for funding requests between \$25,000 and \$50,000. Requests for \$5,000 or less may be authorized by the Legal Affairs Chair and CEO. Requests for between \$5,000 and \$25,000 may be authorized by the President, Legal Affairs Chair, CEO, and Government Affairs Director. Requests over \$50,000 may be authorized with the approval of the Board of Directors, or Executive Committee if it would not be practical to wait for a Board meeting. The Legal Affairs Committee also has the authority to determine when or if the WR should withdraw from a lawsuit.

⁵ The Board makes the decision unless referring the decision to the Board would be impractical, in which case the decision can be made by the Executive Committee upon the recommendation of the Legal Affairs Committee.

⁶ Tight timelines for responding if WR is named as a defendant/respondent require vesting the CEO with the authority to initiate WR's defense and avoid entry of a default (but see Policy Manual and Decision Matrix sections on Litigation Management for legal matters involving the operations, management, or other internal functions of WR.)

⁷ Upon advice of legal counsel; LMT may be convened for human resource matters only if complaint has been filed.

⁸ Upon advice of legal counsel.

⁹ Decision making authority may be delegated by Executive Committee to LMT.

¹⁰ Board has discretion to determine whether settlement can be approved by Executive Committee or a settlement committee.

¹¹ With input from legal counsel.

Deleted: acts as "Decision Maker" in reviewing cases for possible support for requests between \$1,001 and \$7,500. Decisions on Requests for less than \$1,000 can be made jointly by the Legal Affairs Chair and the CEO. Decisions on requests above \$7,500 are to be made by the Board, unless referring the request to the Board would be impractical, in which case the decision can be made by the Executive Committee.

A = Decision Maker; B = Makes Recommendation to Decision Maker; C = Must be Advised; D = Must be Consulted; E = May be Consulted