



Section 3 – Association Governance Policies

From the Chicago Association of REALTORS® Policy Manual

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3. ASSOCIATION GOVERNANCE POLICIES

301. RULES OF THE CHICAGO ASSOCIATION OF REALTORS®

CAR recognizes, in its Bylaws, the latest edition of Robert's Rules of Order as the authority generally governing all meetings of CAR, the Board of Directors, and Committees, so long as its provisions do not conflict with the Bylaws.

In addition, the CAR Board of Directors, in regular or special meetings, may adopt special rules governing its meetings as found necessary to supplement or modify rules provided in Robert's Rules of Order.

Standing rules may also be adopted at any regular or special meeting prescribed above and are rules, which relate to the details of the administration of CAR, rather than to parliamentary procedure. Finally, CAR is subject to all provisions of local, state and national law and regulation applying to professional, trade, tax-exempt, non-profit 501c(6) corporations.

The following documents specifically pertain to the rules of CAR:

National Association of REALTORS®:

- Constitution and Bylaws of the National Association of REALTORS®;
- Code of Ethics of the National Association of REALTORS®;
- Charter issued by the National Association of REALTORS®;
- Membership Criteria (6 and 8 points) of the National Association of REALTORS® Federal Government; and
- Tax-exempt, non-profit 501 c (6) status letter granted by the US Treasury Dept., Internal Revenue Service.

Illinois State Government

- Articles of Incorporation granted by the Illinois Secretary of State, for the Chicago Association of REALTORS®, and its various NFP and Business corporations.

302. GENERAL DEFINITIONS

The following shall serve as definitions for CAR concerning the terms used in this policy manual and by CAR generally:

1. **Bylaws** are rules governing the operation of CAR adopted by membership at large.
2. **Rules of Order and Standing Rules** are rules governing the operation of CAR adopted by the Board of Directors (with the advice and/or recommendation of staff).
3. **Positions** are descriptive narratives, sometimes including recommendations outlining the concerns and/or views of CAR members on current issues adopted by the Board of Directors in session (with the advice and/or recommendation of the staff).
4. **Programs** are activities relating to CAR adopted by the Board of Directors (with the advice and/or recommendation of staff).
5. **Policies** are general or fundamental principles relating to CAR involvement adopted by the members of the Board of Directors (with the advice and/or recommendation of staff).
6. **Procedures** are the detailed explanations, directions or actions to implement adopted articles, bylaws, rules, positions, programs and policies selected and applied by staff with the advice and/or recommendation of the President. They address specific directions telling how, by whom and when things are to be done.

303. DEFINITION, ROLE AND COMPOSITION OF THE BOARD OF DIRECTORS

The Bylaws define the Board of Directors as the governing body of CAR. The Board of Directors is CAR's most important Committee.

A basic rule is that the legal entity, rather than the Board of Directors, is the holder of legal power. The powers of the Directors are not inherent in them, but in the organization of such. The principle exists that Directors exercise the powers of the organization, but do not own it. Thus, the Board of Directors has the power and duty to carry on whatever transactions the corporation or CAR itself has the power to carry on. The power of the Board of Directors is superior in ordinary matters, so long as it is exercised lawfully and in lawful transactions.

In certain extraordinary matters, the Board of Directors may not govern, and the will of the general membership may rule. In such matters as a radical change of fundamental policy or purpose, amendments to the Articles of Incorporation, dissolution or merger of the corp., or matters of like importance, the power of decision often rests with the voting members.

Within the purpose and power of CAR, the Directors are free to change the Bylaws in accordance with the provisions of the Bylaws, policies and short-range purposes, but unless the Bylaws expressly permit, they may not do acts that account to changes in the fundamental purposes or operational mission of CAR.

Members of the Board of Directors shall have the utmost interests of the CAR in mind at all times. They should never assume any position that brings their personal interests into conflict or competition with the interests of CAR or otherwise violates their fiduciary duties to CAR.

The Board of Directors serves several critical functions: 1) Setting policies and strategic direction, 2) allocating resources effectively and efficiently and 3) evaluating the progress being made to ensure that the policies are adhered to and that the desired outcomes are being achieved.

The Board of Directors further endeavors to:

- Communicate with members of CAR, with the constant aims of fiduciary responsibility, effective understanding of members' business requirements, and the enhancement of the benefits derived from membership;
- Define, communicate, monitor, and refine CAR's values, policies and strategies;
- Define, as goals, the essential deliverable products and services of CAR;
- Delegate to the Chief Executive Officer the responsibility and resources to achieve the stated ends, within the limitations of what the Board of Directors defines as unacceptable practices;
- Operate within the limits defined by relevant statutes and CAR's Bylaws;
- Plan for the Board of Directors own succession;
- Demonstrate leadership by embracing the spirit of volunteerism; and
- Promote the real estate industry and REALTOR® organization.

Finally, the Officers, and on occasion, the Directors may be asked to serve as official spokespersons for the entire industry or profession. As such, every member has the ability to embarrass or enhance the reputation of CAR and therefore has an important responsibility to CAR and should not speak on behalf of CAR without permission to do so from the CEO or the CEO's designee.

The Board of Directors is composed of the following 20 members:

- Three Officer Directors: The President, President-Elect, and Secretary/Treasurer;
- One Immediate Past President;
- 11 At-Large Directors (directors serve staggered 2-year terms), at least one of which shall be from each of the regions depicted in the map attached as Attachment 1.
- One Public Policy Coordinating Committee Director (one year term, appointed by the President, approved by the Board of Directors);
- One Commercial Forum Committee Director (one year term, appointed by the President, approved by the Board of Directors);
- Three P-E Directors from the business community.

Note: CEO (non-voting, ex-officio member)

DIRECTOR QUALIFICATIONS

To ensure the Chicago Association of REALTORS® Board of Directors remains forward-thinking, mission-driven, and representative of the highest standards in the real estate profession, the Nominating Committee should consider the following eligibility guidelines to serve as a Director:

1. Years of Service.

- a. A minimum of three years of active, consistent, and demonstrated engagement with the Chicago Association of Realtors® through participation in committees, workgroups, task forces, or advisory groups.

2. Demonstrated Leadership.

- a. At least one year of service in a leadership role within a CAR entity, such as a Committee Chair, Vice Chair, Advisory Group Leader, or a similar position that shows a clear track record of leadership and results.

3. Strategic Mindset.

- a. Ability to think strategically and contribute to the long-term vision, sustainability, and growth of the organization. Directors should be able to innovate and adapt as part of their obligation to fulfill their fiduciary duties to CAR.

4. Commitment to Diversity.

- a. CAR prides itself on the diversity of its members and inclusive community. CAR celebrates individual differences, honors unique perspectives, and ensures that there is a seat at the table for everyone. Directors are expected to uphold and promote these values in all their work with the Association.

5. Good Standing and Industry Engagement.

- a. Directors must be a REALTOR® member in good standing with no current ethics violations or disciplinary actions.
- b. Directors should have a proven dedication to professionalism, including active participation in RPAC and/or industry advocacy initiatives.

6. Time Commitment.

- a. Directors should be willing and able to commit the time required to attend Board meetings, committee assignments, Association events, strategic planning retreats, and other leadership functions.
- b. Directors are required to attend a minimum of five out of seven Board of Directors meetings annually.

7. Knowledge of the Association and Industry.

- a. Directors should have a demonstrated familiarity with CAR's strategic plan, programs, services, and governance structure, as well as key industry issues affecting Chicago REALTORS®.

8. Professional Reputation.

- a. Directors should maintain a credible, ethical, and engaged professional presence that upholds and enhances the REALTOR® brand and the Chicago Association of Realtors® community.

NOTE: Refer to CAR Bylaws, Articles XI, XII, and XIII for detailed information related to Officers, Directors and their terms and elections.

Primary Staff Support: CEO and the CEO's assigned staff

304. STANDING RULES OF THE BOARD OF DIRECTORS

1. Meetings of the Board of Directors shall be at designated times and places, as specified in the Bylaws and set by the Directors. Two unexcused, or three total absences, shall be deemed as resignation by the absent director.
2. Meetings of the Board of Directors shall be chaired by the President and conducted in accordance with the Bylaws and intent of the standing rules of the Board of Directors.
3. Agendas are prepared by the Chief Executive Officer and the President. Agenda items should be submitted in writing to the Chief Executive Officer, 10 days prior to the meeting.
4. Only the officers and directors of the Board of Directors may vote on issues at their meetings. Visitors may participate in discussion on issues only when recognized by the President.
5. Only Board members and the Chief Executive Officer may attend Executive sessions, unless the President or a majority of the Board present and voting grants an exception.
6. Minutes shall be required for all meetings of the Board of Directors.
7. Policies may be adopted, revised, deleted or suspended during any Board of Directors meeting without advanced notice. Non-mandatory changes to bylaws (those not mandated by NAR) are subject to approval by the membership at the annual business meeting.
8. Adopted policies shall not be in conflict with the Bylaws and shall be included in the Policy Manual.
9. Elections for Officers and Directors shall be as specified in the Bylaws.

In carrying out the duties of a Director, the person holding that office will necessarily receive, review, and possess sensitive and confidential information regarding various financial, legal and other aspects of CAR and its affiliated entities. The Director shall have a duty not to disclose confidential information and shall memorialize these confidentiality obligations by executing a confidentiality agreement before commencing service as CAR's Director.

VIRTUAL BOD MEETING PARTICIPATION GUIDELINES

In the event of a hybrid or fully virtual Board meeting, the following guidelines will be adhered to:

Camera Requirement: All Board Members must remain on camera for the duration of the meeting. Extended periods of being off camera will result in removal from the meeting.

Zoom Name Display: Your full name must be displayed on your Zoom screen. Board Members should ensure this is set before the meeting begins.

No AI Bots: The use of AI bots or any automated assistance during the meeting is strictly prohibited at all times.

Chat Function: The chat will be disabled for all attendees except the moderators, who will use it for technical requests. Board Members should refrain from using the chat for any other purpose.

Speaking Protocol: All comments should be made vocally using the raised hand feature. Board Members should wait until they are called on by the chair before speaking.

Secure Locations: Board Members must be in a secure, confidential location where the meeting's contents cannot be seen or heard by others. This ensures the privacy and integrity of our discussions.

305. STANDING RULES FOR REGULAR AND SPECIAL MEMBERSHIP MEETINGS

1. Meetings shall be conducted in accordance with the Bylaws and Standing Rules.
2. Meeting agendas shall be prepared by the President and the Chief Executive Officer.
3. Notice of special meetings of the membership shall be advertised in all appropriate communications methods, preceding the meeting.
4. The Annual Meeting shall be held during the last quarter of the fiscal year at a date, time and place to be specified by the Directors.

306. RESPONSIBILITY AND DUTIES OF THE PRESIDENT

Term:

The President-Elect shall ascend to the office of President immediately and automatically upon completion of a term as President-Elect, and serves for a one-year term (or until a respective successor is qualified and sworn in)

Description and Responsibilities:

The President serves as the Chief Volunteer Officer of CAR and Chairperson of the Board of Directors and shall have the duty to:

1. Preside at all meetings of the Board of Directors and Executive Committee;
2. Prepare for, attend, and actively participate in meetings of the Board of Directors and Executive Committee;
3. Provide leadership to the Board of Directors, who sets policy and to whom the Chief Executive Officer is accountable;
4. Establish overall long and short-term organizational goals, objectives, and priorities in conjunction with the Board of Directors and Chief Executive Officer;
5. Help guide, mediate, and implement Board actions with respect to organizational priorities, policies, and governance concerns;
6. Discuss issues confronting CAR with the Chief Executive Officer;
7. Enhance relationships with other community groups and agencies;
8. Monitor financial planning and performance (along with Secretary/Treasurer);
9. Serve as CAR's chief spokesperson;
10. Confirm the appointment of the Chairpersons of Committees recommend by the CEO in accordance with Section 402 of this Policy Manual;
11. Assign duties to officers, Committees, and task forces of CAR to the extent they are not inconsistent with governing laws;
12. Sign all contracts and other documents duly authorized to be signed on behalf of CAR and required to be signed by the President;
13. Serve as an ex-officio non-voting member on all CAR Committees except for the Nominating Committee, Grievance and the Professional Standards Committees. The President shall serve as full member of the Nominating Committee;
14. Represent CAR as its President in all matters and on all occasions except those expressly limited by the Board of Directors;
15. Represent CAR at the Illinois REALTORS® and the National Association of REALTORS®;
16. Oversee annually the performance evaluation of the CEO in achieving CAR's mission and goals;
17. Perform all other duties prescribed by the Bylaws, applicable law, or the Board of Directors; and
18. Adhere to general duties as outlined in the Director description.

Additional Responsibilities:

1. Chairperson, Executive Committee;
2. Member, Nominating Committee;
3. Immediate Past President Director upon completion of President's Term; and
4. Director, National Association of REALTORS® (customary, but not required).

Confidentiality:

In carrying out the duties of President, the person holding that office will necessarily receive, review, and possess sensitive and confidential information regarding various financial, legal and other aspects of CAR and its affiliated entities. The President shall have a duty not to disclose confidential information and shall memorialize these confidentiality obligations by executing a confidentiality agreement before commencing service as CAR's President.

Stipends

The President shall receive a monthly stipend of \$1,000.

307. RESPONSIBILITY AND DUTIES OF THE PRESIDENT-ELECT

Term:

The President-Elect is selected by the Board of Directors to serve for a one-year term (or until a respective successor is duly elected and sworn in). The President-Elect shall be elected by the outgoing Board of Directors from the immediately preceding election year in accordance with the Bylaws. At the time of election, the Board of Directors should strongly consider the record of service of the current Secretary/Treasurer, should the Secretary/Treasurer declare to run for President-Elect.

Description and Responsibilities:

The President-elect shall have and be assigned such powers as prescribed by the Board of Directors and shall assume responsibility for the office of President upon the temporary or permanent inability of that person to continue service, as determined by the Board of Directors. The President-Elect of the Board of Directors shall have the duty to:

1. Prepare for, attend, and actively participate in all meetings of the Board of Directors and Executive Committee;
2. In conjunction with the Board of Directors and Chief Executive Officer, establish overall long and short-term organizational goals, objectives, and priorities;
3. Fulfill President's responsibilities in the absence of the President, as requested, including presiding over Board and Executive Committee meetings and participating in external relations;
4. Represent CAR at the Illinois REALTORS® and the National Association of REALTORS®;
5. Perform all other duties prescribed by the Bylaws, applicable law, or the Board of Directors; and
6. Adhere to general duties outlined in the Director description.

Additional Responsibilities:

1. Member, Executive Committee;
2. Member, Nominating Committee; and
3. Chairperson, CARPAC.

Confidentiality:

In carrying out the duties of President-Elect, the person holding that office will necessarily receive, review, and possess sensitive and confidential information regarding various financial, legal and other aspects of CAR and its affiliated entities. The President-Elect shall have a duty not to disclose confidential information and shall memorialize these confidentiality obligations by executing a confidentiality agreement before commencing service as CAR's President-Elect.

Stipends

The President-Elect shall receive a monthly stipend of \$500.

308. RESPONSIBILITY AND DUTIES OF THE SECRETARY/TREASURER

Term:

The Secretary/Treasurer is elected by the Board of Directors to serve for a one-year term (or until a respective successor is duly elected and sworn in). The Secretary/Treasurer shall be elected by the outgoing Board of Directors from the immediately preceding election year from among such members of such Board of Directors as may be nominated for such office by any Director.

Description and Responsibilities:

The Secretary/Treasurer shall have and be assigned such powers as prescribed by the Board of Directors and shall serve as the Chairperson of the Finance Committee. The Secretary/Treasurer of the Board of Directors shall have the duty to:

1. Prepare for, attend, and actively participate in all meetings of the Board of Directors and Executive Committee;
2. Establish overall long and short-term organizational goals, objectives, and priorities in conjunction with the Board of Directors and Chief Executive Officer;
3. Coordinate with the CEO or the CEO designee to prepare the annual budget for approval by the Board of Directors;
4. Oversee and advise the Board of Directors regarding CAR's financial statements and accounting records, the receipt, deposit, and disbursement of CAR funds, and CAR's accounting, investment, and control systems, policies, and procedures;
5. Read, understand, and interpret financial statements for Board of Directors;
6. Oversee the maintenance of all of the Secretary/Treasurer's records at CAR's main office;
7. Review the monthly financial statements;
8. Represent CAR at the Illinois REALTORS® and the National Association of REALTORS®;
9. Perform all other duties prescribed by the Bylaws, applicable law, or the Board of Directors;
10. Prepare the succeeding Secretary /Treasurer for her/his term by guiding her/him through policies and procedures beginning at the planning and budgeting process for the subsequent year; and
11. Adhere to general duties outlined in the Director description.

Additional Responsibilities:

1. Member, Executive Committee;
2. Member, Nominating Committee; and
3. Chairperson, Finance Committee.

Confidentiality:

In carrying out the duties of Secretary/Treasurer, the person holding that office will necessarily receive, review, and possess sensitive and confidential information regarding various financial aspects of CAR and its affiliated entities. The Secretary/Treasurer shall have a duty not to disclose confidential information and shall memorialize these confidentiality obligations by executing a confidentiality agreement before commencing service as CAR's Secretary/Treasurer.

Stipends

The Secretary/Treasurer shall receive a monthly stipend of \$500.

309. RESPONSIBILITY AND DUTIES OF THE IMMEDIATE PAST PRESIDENT**Term:**

The Immediate Past President serves an automatic one-year term immediately following the Immediate Past President's term as President. The Immediate Past President does not serve as an officer of CAR

Description and Responsibilities:

The President shall, immediately and automatically upon expiration of the President's term, be referred to as the Immediate Past President and shall automatically be a director for the immediately succeeding year.

The Immediate Past President of the Board of Directors shall have the duty to:

1. Prepare for, attend, and actively participate in all meetings of the Board of Directors and Executive Committee; and
2. Perform all other duties prescribed by the Bylaws, applicable law, or the Board of Directors 3. Adhere to general duties outlined in the Director description.

Additional Responsibilities:

1. Member, Executive Committee; and
2. Director, National Association of REALTORS®.

310. RESPONSIBILITY AND DUTIES OF THE DIRECTORS

Term:

The elected Directors shall be elected for terms as set forth in the Bylaws (or until a respective successor is duly elected and sworn in).

Description and Responsibilities:

The Directors shall have the duty to:

1. Prepare for, attend, and actively participate in all meetings of the CAR Board of Directors;
2. Approve and monitor fiscal and operational policies and other recommendations received from the Board of Directors, Executive Committee, Standing and Special Committees, and staff;
3. Promote the value of the REALTOR® organization, including, but not limited to: legislative advocacy, educational opportunities, and professional standards;
4. Ensure strong financial management;
5. Participate in and contribute to setting CAR's annual goals and objectives;
6. Approve the annual budget and business plans;
7. Act as a liaison to both the CAR membership and the greater community;
8. Volunteer and accept assignments as prescribed by the President and the Board of Directors, and complete them in thorough, timely manner;
9. Get to know other Directors and build a collegial working relationship that contributes to the advancement of CAR's mission, goals, and objectives;
10. Represent CAR at various Association and industry events;
11. Assess own performance as a Board member regularly;
12. Review all communications received pertaining to CAR;
13. Assist in RPAC fundraising efforts;
14. Assist in the identification of key volunteers;
15. Elect officers of the Board of Directors, as provided in the Bylaws;
16. Be familiar with, endorse, and be a positive spokesperson for CAR's programs, products, and services;
17. Through the implementation of meaningful change, ensure CAR's position as a fluid, dynamic, meaningful, and responsive organization;
18. Respond promptly and in an appropriate manner to all communications pertaining to CAR;
19. Attend major functions of CAR; and
20. Perform all other duties prescribed by the Bylaws, applicable law, or the Board of Directors.

311. ENDORSEMENT AND SUPPORT OF IR DIRECTORS AND OFFICERS

Endorsement of IR Directors

The Illinois REALTORS® Directors are elected annually by the Illinois REALTORS® for staggered three-year terms. While not required, those CAR members seeking to serve as an IR Director may request a letter of recommendation from the CAR CEO.

Endorsement of IR Officers

CAR will certify all CAR members in good standing, who request such certification, to run as an IR Officer candidate. Only those certified candidates who are deemed to be qualified under IR's Officer Qualification process will be considered for formal endorsement by the CAR Board of Directors. No endorsement will be given by the Board of Directors until a candidate from CAR has been deemed qualified by IR (i.e., no "subject to" endorsements). Candidates from CAR should not automatically assume they will receive an endorsement from the Board of Directors. Should more than one candidate from CAR be deemed qualified in any given year, interviews will be scheduled before the Board of Directors. The Board of Directors will determine if it will formally endorse one, or more, of the candidates.

IR Director Stipends

Refer to Section 511. TRAVEL AND BUSINESS ENTERTAINMENT - IR Meeting Travel Reimbursement.

Expense Reimbursement for CAR Officers to Attend IR Meetings

Expenses for registration, travel, hotel and meals will be paid for the three CAR Officers to attend IR business meetings. Receipts must be submitted to CAR within 45 days of the meeting to receive reimbursement.

Travel Arrangements

The IR Director is responsible for booking the IR Director's own travel arrangements. IR Directors are reimbursed by IR pursuant to IR's policies and procedures and shall not seek reimbursement from CAR.

CAR staff will register the three Officers and any required Executive Committee members for IR Business Meetings and Conferences. Staff will also book hotel accommodations for the three CAR Officers and any required Executive Committee members. Officers and Executive Committee members are responsible for making their own transportation arrangements and may seek reimbursement for mileage, airfare, or train fare in accordance with CAR's reimbursement policy.

Officers are expected to notify staff **as soon as possible** if hotel accommodations are not needed or if reservations are only required for specific dates. Cancellations must be communicated to staff **no less than 72 hours** prior to the meeting. Failure to do so may result in any forfeited, prepaid hotel deposit being invoiced to the Officer or Executive Committee member.

If Officers or Executive Committee members prefer to make their own hotel arrangements and registration, they must notify the assigned CAR staff **at the beginning of the fiscal year**.

Special Events

CAR may host a dinner or outing for CAR members at the IR Winter Meeting or Conference.

CAR will reserve a table(s) for CAR Officers, and CAR representatives who are IR Directors, IR Committee Chairs and Vice Chairs and authorized staff at two IR events-the REALTOR® of the Year banquet (during Capitol Conference) and the Inaugural Gala (during Fall Business Meetings or Conference). These individuals should notify CAR staff, early on, of their desire to attend one or both of these events, so the seat may be secured. If space allows, they may also invite guests at their own expense. Late requests may not be honored. Cancellations must be made at least 48 hours prior to the event, or the individual will be invoiced for the cost of the banquet ticket.

312. RESPONSIBILITY AND DUTIES OF A NAR DIRECTOR

Term:

Except for the President and Immediate Past President, who shall automatically serve as NAR Directors by virtue of their offices, all other CAR members designated to serve as NAR Directors shall be elected by the Board of Directors. Such election shall occur no later than June of each year. Each elected Director shall serve a term of

one year. The total number of CAR members eligible to serve as NAR Directors shall be determined in accordance with the allocation established by NAR.

Qualifications

Any CAR member must meet the following qualifications to serve as a NAR Director:

1. Must be a REALTOR® member in good standing.
2. Special consideration will be given to the following members: CAR Officers and Directors, current CAR Committee Chairs and Vice-Chairs, current and past NAR committee members and Past Presidents.
3. Must have some current or recent active involvement with IR, which is defined as: a) service on the IR Board of Directors, b) participation on an IR Committee or work group, c) attendance at the IR business meetings or conferences, and/or d) attendance at the IR Public Policy meeting.
4. Strongly encouraged to be a major contributor to RPAC.
5. Must be actively engaged in the real estate business and hold an active real estate license from the state of Illinois.

Description and Responsibilities:

Any member that serves as National Association of REALTORS® Director shall have the following responsibilities:

1. Attend all NAR Board of Directors meetings, as well as other required national meetings;
2. Report to the appropriate CAR Committees, the Board of Directors, and members on each NAR Board of Directors meeting;
3. Seek the opinions and/or advice of CAR leadership on issues under consideration by the NAR Board of Directors;
4. Apply to serve on at least one NAR Committee or forum and actively participate in those Committee or forum's activities;
5. Understand and agree to abide by the policies adopted by the CAR and IR Boards of Directors for the position of NAR Directors;
6. Be familiar with CAR and NAR's Strategic Plans and key policy statements, and assist in their implementation; and
7. Attend the State and Region 7 Caucus meetings during the NAR Realtors Legislative Meetings and NAR NXT conference.

Stipends and Expense Reimbursement

Members of CAR who serve as NAR Directors shall be reimbursed for their expenses by and according to the policies of the Illinois REALTORS®. Stipend requests should be submitted directly to IR within 30 days of the meeting. CAR will reimburse the NAR Directors up to \$500 per meeting, for expenses greater than the approved IR stipend. In order to receive this expense reimbursement, a copy of total receipts for the meeting must be submitted within 45 days of the meeting along with proof of submission to IR for the Director stipend. Additionally, CAR will not issue any payment in advance of a processed reimbursement through IR.

CAR will pay for the cost of the annual NAR convention registration fees for all NAR Directors from CAR, up to the cost of a full registration.

Although not NAR Directors, CAR shall also annually budget to send the President, the President-Elect, the Secretary/Treasurer and the Chief Executive Officer, and other staff (at the discretion of the Chief Executive Officer) to the NAR REALTOR® Legislative Meetings and the NAR NXR Annual Convention. CAR will also budget to send the Public Policy Coordinating Chair to the NAR REALTOR® Legislative Meetings in Washington, DC.

CAR shall budget annually up to \$1,500 in expense reimbursement each for the CAR YPN current and immediate past chair to attend the NAR NXT convention.

Travel Arrangements

NAR Directors are responsible for making their own travel and hotel arrangements, with the exception of the President and Immediate Past President, for whom CAR staff will coordinate registration and hotel bookings unless notified otherwise. All NAR Directors are responsible for booking their own flights.

Special Events

CAR will reserve a table(s) for CAR Officers, NAR Directors, Committee Chairs and Vice Chairs and authorized staff at the NAR Inaugural Gala at the NAR NXT Convention if it is held. These individuals should notify CAR staff, early on, of their desire to attend one of these events, so that a seat may be secured. They may also invite guests, at their own expense if space allows. Late requests may not be honored. Cancellations must be made at least 48 hours prior to the event, or the individual may be invoiced for the cost of the banquet ticket.

Commitment

NAR Directors must attend both the NAR Legislative Meetings & Expo and the NAR NXT Convention during their term of service. Directors are required to attend the NAR Board of Directors Meeting in its entirety and be present for all Board votes.

Additionally, NAR Directors must request to serve on at least one NAR committee each year during their term and are expected to actively participate in all assigned committee responsibilities.

Resignations

In the event a NAR Director resigns, is no longer a Member of, or becomes ineligible for, membership in CAR from the class of membership from which the Director was elected or appointed, or if the Director changes business affiliation or otherwise materially alters the conditions under which they were elected or appointed, an automatic vacancy shall be created.

Such vacancy shall be declared by notice from the Chief Executive Officer to the Board of Directors, with a copy provided to the Director in question. The President shall then appoint, with the advice and consent of the Board of Directors, a Primary (or Secondary) REALTOR® Member to fill the vacated position for the remainder of the unexpired term. Upon formal approval, Illinois REALTORS® (IR) and the National Association of REALTORS® (NAR) shall be properly notified of the resignation and replacement.

313. RESPONSIBILITY AND DUTIES OF THE CHIEF EXECUTIVE OFFICER

Description and Responsibilities:

The Chief Executive Officer (CEO) shall be the chief administrative officer of CAR and shall be responsible for the efficient management, execution, and administration of all of the business and affairs of CAR as authorized and directed by the Board of Directors. Without limiting the generality of the preceding sentence, the CEO shall specifically have the power and duty to:

1. Recommend and implement policies, plans, and procedures for the administration, organization, and operation of CAR;
2. Hire personnel to fill positions or vacancies on CAR's administrative staff and discharge or retire members of such staff in accordance with applicable law and CAR procedures;
3. Supervise all administrative staff and consultants of CAR;
4. Purchase materials and services according to applicable law and CAR procedures;
5. Oversee the facilities of CAR and safeguard its assets;
6. Execute all contracts and other documents duly authorized to be signed on behalf of CAR by the CEO;
7. With input from the President prepare agendas for Board of Directors and Executive Committee meetings and, whenever possible, attend meetings of CAR Committees;
8. Assign such duties as may be properly delegated to other administrative staff or consultants of CAR;
9. Supervise, manage, and maintain the offices of CAR;

10. Serve as CEO of CAR / MLS and perform all other duties required pursuant to the CAR / MLS by-laws; and
11. Serve on the Board of Directors of the CAR Foundation as an *ex officio* member; and
12. Attend IR and NAR business meetings and conferences as an active participant in those organizations.

Other Employees:

Any and all other supervisory, administrative, and operating employees of CAR, other than the CEO, shall be under the supervision and direction of the CEO.

Annual Review:

The annual performance evaluation of this position shall be the responsibility of the Executive Committee and will be performed between August 1st and September 30th. An overview of the review process will be discussed with the Board of Directors at their regularly scheduled meeting following the annual evaluation.

314. OFFICER BACKGROUND CHECKS

Upon receipt of the completed CAR Officer application form:

- a) The CEO or the CEO's designee will authorize verification of the applicant's licensure status in Illinois and review any Code of Ethics violations that resulted in termination or suspension of membership.
- b) The CEO or the CEO's designee will forward the application to the assigned CAR Human Resources point of contact. A third-party vendor, recommended by Human Resources, will conduct a credit, legal, and criminal background check on CAR's behalf.

As part of this process, special attention will be given to identifying the following examples of significant issues in an applicant's background:

- Bankruptcies (personal and business) past seven years;
- Foreclosures past seven years;
- Three or more accounts with late payments (90 or more days) in the current year;
- Delinquent child support payments;
- Delinquent real estate taxes which are outside the redemption period;
- Liens (involuntary, in the last five years);
- All convictions for a misdemeanor or felony;
- Regulatory or professional discipline (personal or business) issued by a State of Illinois agency, board or commission where there was a finding of incompetence, misrepresentation, deceit, fraud, bad faith, demonstration of bad intent or failure to conform to relevant licensing standards;
- Pending regulatory investigations (personal or company);
- Pending status as a defendant in civil litigation (personal or company); and
- Involuntary judgments (personal or company).

Upon completion of the background check, the CEO and applicant will be notified of the findings, including any deficiencies which may have been noted. The applicant will then be provided an opportunity to clarify and/or correct the deficiency, prior to the formal election.

If a deficiency is not sufficiently explained or corrected by the applicant, the CEO will consult with CAR's legal counsel and President prior to the election. Should the deficiency be deemed to be of significance, the applicant will have an opportunity to withdraw the applicant's name from consideration. If the applicant chooses to remain a candidate, only then will the deficiency will be disclosed to the Board of Directors in a closed executive session, at the time of the elections.