



**CAPE COD & ISLANDS**  
**ASSOCIATION *of* REALTORS®, INC.**  
**&**  
**MULTIPLE LISTING SERVICE, INC.**

# **POLICY MANUAL**

UPDATED OCTOBER 2017

# TABLE OF CONTENTS

VOLUNTEER LEADERSHIP POLICIES	3
CONFLICT OF INTEREST	3
CONFIDENTIALITY STATEMENT/NON-DISCLOSURE	3
ANTITRUST STATEMENT	4
ANTITRUST POLICY OVERVIEW	4
ASSIGNMENT OF INTELLECTUAL PROPERTY RIGHTS	4
ROLES AND RESPONSIBILITIES	5
ROLE OF THE PRESIDENT	5
ROLE OF THE PRESIDENT-ELECT	5
ROLE OF THE SECRETARY   TREASURER	5
ROLE OF THE BOARD OF DIRECTORS	6
RESPONSIBILITIES OF OFFICERS AND BOARD MEMBERS	6
ROLE & RESPONSIBILITIES OF COMMITTEE CHAIRS AND VICE-CHAIRS	6
ROLE & RESPONSIBILITIES OF MLS TOUR CHAIRS	7
VOLUNTEER EXPENSE & TRAVEL POLICY	7
ISLAND BOARD OF DIRECTOR TRAVEL	8
MEETING PROTOCOL	9
ROLE OF STAFF LIAISONS	9
AGENDAS & MEETING MINUTES	9
OPERATING POLICIES	10
OFFICE OPERATING HOURS AND DAYS	10
PROCEDURE FOR SAME COMPANY DIRECTOR LIMITATIONS	10
INSTALLATION OF OFFICERS	11
LEGAL POLICY	11
COMMITTEE SELECTION PROCESS	11
MAR DIRECTOR APPOINTMENTS	11
AWARDS COMMITTEE	12
CEO REVIEW COMMITTEE	13
FINANCIAL POLICIES	13
ANNUAL BUDGET	13

CHECK SIGNATORIES	14
REVIEW OF FINANCIAL INFORMATION	14
FINANCIAL TRANSPARENCY	14
REQUEST FOR FINANCIAL RECORDS	15
ACCOUNTING METHOD	15
FISCAL YEAR	15
INDEPENDENT REVIEW	15
FEDERAL AND STATE TAX FILINGS	15
RECORD RETENTION POLICY	15
HARASSMENT POLICY	18
SEXUAL HARASSMENT POLICY	19
WHISTLEBLOWER POLICY	19
REPORTING RESPONSIBILITY	19
NO RETALIATION	19
COMPLIANCE OFFICER	19
REPORTING PROCEDURE	20
ACCOUNTING AND AUDITING MATTERS	20
ACTING IN GOOD FAITH	20
CONFIDENTIALITY	20
HANDLING OF REPORTED VIOLATIONS	20

# **VOLUNTEER LEADERSHIP POLICIES**

The following are a set of policies set forth for the elected and appointed leadership of the Cape Cod & Islands Association of REALTORS® and Multiple Listing Service to follow and adhere to:

## **CONFLICT OF INTEREST**

As a prerequisite for participating as a CCIAOR/CCIMLS volunteer, you will disclose and when needed, recuse yourself, should any conflicts of interest or perceived conflicts of interest arise.

These conflicts include, but are not limited to your:

- Position as a principal, partner or corporate officer of a business providing products or services to CCIAOR/CCIMLS or in a business being considered as a provider of products or services;
- Holding a seat on the board of directors of the business unless the only relationship to the business is service on such board of directors as CCIAOR/CCIMLS representative;
- Holding an ownership interest of more than one percent in such business as described above.

When CCIAOR/CCIMLS has an ownership interest in an entity and a member has an ownership interest in that same entity, such member must disclose the existence of his or her ownership interest prior to speaking to a decision-making body on any matter involving that entity.

If a member has personal knowledge that CCIAOR/CCIMLS is considering doing business with an entity in which a member has any financial interest, or with an entity in which the member serves in a decision-making capacity, then such member must disclose the existence of his or her financial interest or decision-making role prior to speaking to a decision-making body about the entity.

If a member has a financial interest in, or serves in a decision-making capacity for, any entity that the member knows is offering competing products and services as those offered by CCIAOR/CCIMLS, then such member must disclose the existence of his or her financial interest or decision-making role prior to speaking to a decision-making body about an issue involving those competing products or services.

After making necessary disclosure, a member may participate in the discussion and vote on the matter unless that member has a conflict of interest as defined above.

## **CONFIDENTIALITY STATEMENT/NON-DISCLOSURE**

You agree to respect the confidentiality of the committees, task forces and Boards of Directors of CCIAOR and CCIMLS. You will not reveal discussions, deliberations, or information outside

the scope of your authority. If you have a question as to whether information is confidential, you will consult the CCIAOR/CCIMLS CEO or assigned staff.

## ANTITRUST STATEMENT

As a participant in CCIAOR/CCIMLS volunteer structure, you represent that you will adhere to all laws and encourage and insist that members faithfully adhere to these laws at meetings and acknowledge that the following topics shall not be discussed:

- Price or price levels
- Commission rates or splits
- Market allocation
- Competitors' business practices
- Boycotting of any member
- Denial of services to any member
- Denial of participation to any member

## ANTITRUST POLICY OVERVIEW

A member who participates in the affairs of an Association of REALTORS® should be alert to discussions at an Association meeting relating to commission levels, pricing structures or marketing practices of other real estate professionals. Members who find themselves in the midst of such discussions should immediately suggest that the topic be changed, and if unsuccessful, should promptly leave the meeting. If minutes of the meeting are being taken, they should insist that their departure be noted for the record.

In day-to-day business as well as Association related activities, members must be absolutely certain that the decisions made concerning fees charged to clients or compensation paid to cooperating offices are the result of independent business judgments about market conditions. Consultations with competitors about these decisions can result in otherwise reasonable actions being held to be per se illegal, even felonious.

*(Excerpted from the National Association of REALTORS® Antitrust Compliance Guide)*

## ASSIGNMENT OF INTELLECTUAL PROPERTY RIGHTS

Association desires to retain all intellectual property rights in all projects in which Volunteer in engaged. Without the agreement of Volunteer under this Agreement, Association would not make the Appointment. Therefore, in consideration for the Appointment, Volunteer hereby irrevocably assigns and transfers to Association any and all copyright rights, and other intellectual property rights, and all actions and causes of actions related to the foregoing, and all damages, profits, and other recoveries related thereto, which may be created, had, developed, acquired or contributed during the course of the Appointment. Volunteer agrees and acknowledges that Association will own all intellectual property rights associated with all works created during the course of the Appointment, and Volunteer shall not challenge or take any action inconsistent with such rights.

# ROLES AND RESPONSIBILITIES

## ROLE OF THE PRESIDENT

- Presides, as chair, over all meetings of the Board of Directors, Executive Committee and meetings of the Association and MLS;
- Serves as the key contact between the Chief Executive Officer and the Board of Directors;
- Collaborates with the Chief Executive Officer or assigned staff on the preparation of agendas for the Board of Directors and Executive Committee meetings;
- Serves as an effective representative of the organization at state, regional and national meetings;
- Ensures the Board of Directors is aware of its legal and fiduciary responsibilities;
- Serves as an effective communicator of the board's policies, direction and initiatives;
- Acts as a role model and representative of the Association and MLS, seeking input from membership at large, responding and directing comments accordingly;
- Ensures the Board of Directors is focused on what matters, asks the question, "Does this activity or discussion matter to the big picture of governing the organization?"

## ROLE OF THE PRESIDENT-ELECT

- In absence of the President, assumes the duties, role and responsibilities of the President;
- Serves on the Executive Committee;
- At the Board of Director meetings, assists the President by making applicable motions to ensure the meeting functions smoothly;
- Learns the duties and responsibilities of the President's role;
- Serves as an effective representative of the organization at state, regional and national meetings;
- May be asked by the President to take on a specific initiative or project;
- Serves as an effective communicator of the board's policies, direction and initiatives;
- Acts as a role model and representative of the Association, seeking input from membership at large, responding and directing comments accordingly;
- Ensures the Board of Directors is focused on what matters, asks the question, "Does this activity or discussion matter to the big picture of governing the organization?"

## ROLE OF THE SECRETARY | TREASURER

- Serves on the Executive Committee;
- Presides, as chair, over the meetings of the Finance Committee;
- Serves as key contact between the Chief Executive Officer and any assigned staff on financial matters of the Association & MLS;
- Has check signing authority and is listed on Association and MLS bank accounts; Signature or approval must accompany all checks signed for \$10,000 or more.

## ROLE OF THE BOARD OF DIRECTORS

- Reads and understands financial statements; Directors are responsible for oversight of the Association's finances and to approve the annual operating budget of the organization;
- Authorizes and approves contracts and agreements on behalf of the organization;
- Shapes the development of policy and the formation of a basic philosophy that keeps the organization on track for those initiatives;
- Reinforces the value of being a REALTOR® the value CCIAOR and CCIMLS provides.

## RESPONSIBILITIES OF OFFICERS AND BOARD MEMBERS

- Attends monthly Board of Director meetings;
- Adheres to CCIAOR/CCIMLS Policy Manual and Volunteer Leadership Agreement;
- Remains familiar with and helps implement CCIAOR's Strategic Plan and CCIMLS's Business Plan;
- Keeps abreast of technology, business and regulatory changes that impact CCIAOR and CCIMLS and its members and affiliates;
- Is active in CCIAOR and CCIMLS activities;
- Serves as communication liaison between CCIAOR and CCIMLS and its REALTOR® and affiliate members, specifically the segment of membership elected to represent;
- Communicates information about CCIAOR/CCIMLS programs, services and events and promote and be active on the CCIAOR/CCIMLS social media accounts;
- Strives to attend a MLS Tour and its respective meeting at least once a month to open the line of communications between the board and members.

## ROLE & RESPONSIBILITIES OF COMMITTEE CHAIRS AND VICE-CHAIRS

Within the limits of the bylaws of the Association and policies established by the Board of Directors, the committee chairperson has the responsibility of:

- Chairs all committee meetings during his/her appointed term of office;
- Liaison with elected Association and MLS officers and staff to develop annual committee objectives; Ensure committee work is in alignment with the Association's or the MLS's mission statement and strategic plan;
- Adheres to CCIAOR/CCIMLS Policy Manual and Volunteer Leadership Agreement;
- Attends annual Leadership Training to start each year;
- Informs committee members of objectives and their expected individual contributions and responsibilities;
- Encourages active participation by committee members in the activities of the Association;
- Oversees the progress of committee members in completing assigned projects;
- Develops, with staff, the final agenda for each meeting;
- Carries committee actions and concerns to the Board of Directors;
- Recommends potential future committee leadership;

- Ensures that timely meeting reports are forwarded to the Board of Directors.

## ROLE & RESPONSIBILITIES OF MLS TOUR CHAIRS

Within the limits of the Association bylaws and the MLS bylaws and Rules and Regulations, a MLS Tour Chair has the responsibility of:

- Organizes, schedules and promotes the MLS Tour;
- Adheres to CCIAOR/CCIMLS Policy Manual and Volunteer Leadership Agreement;
- Understands the MLS Rules & Regulations and Tour Protocol;
- Attends annual Leadership Training to start each year;
- Encourages active participation by REALTORS® in the activities of CCIAOR/CCIMLS;
- Enters the MLS Tour schedule into the CCIMLS database (watch for Holiday Schedules), including setting up a cutoff time and number of properties allowed;
- Works on obtaining Sponsors for MLS Tour should you feel one is necessary or beneficial;  
NOTE: it is best practice that the sponsor pays directly for any expenses to occur or if needed, CCIAOR/CCIMLS can take the sponsor money and then pay for the services rendered
- Reminds Tour goes that they are entering premises on their own accord and to do so is at their own risk.

## VOLUNTEER EXPENSE & TRAVEL POLICY

From time to time, volunteers of the CCIAOR/CCIMLS will be required to attend meetings away from the office. When required, the CCIAOR/CCIMLS will incur all reasonable costs of such travel, provided the employee follows the travel expense policies. Should a family member elect to travel to any national meetings, his/her personal expenses will be the responsibility of the volunteer member, the volunteer's first and foremost duty is to attend the meetings for the purpose stipulated by the Chief Executive Officer. All volunteer travel is approved annually through the Association/MLS's budget or approved directly by the Board of Directors.

Immediately following the required travel, expenses must be reported on the approved expense voucher form to the Chief Executive Officer for reimbursement approval. Completed expense voucher forms are to be submitted within a timely manner. All travel expenses must be itemized and should include itemized receipts for all expenses.

Any volunteer leadership who travels on behalf of the Association/MLS should consult with the CEO/or assigned staff prior to the trip to get input as to the itinerary and the meetings needed to be attended. After the travel and at the next available Board of Directors meeting, the volunteer leadership shall provide a report to the Board of Directors as to updates from the event attended. In addition, if requested, the volunteer leadership shall provide the CEO a written report of meetings attended and relevant updates from the travel for distribution to the membership within a week of returning from the trip.

The following guidelines are necessary for the proper preparation and submission of expense reports by volunteers of the CCIAOR/CCIMLS.

1. **AIR TRAVEL:** No CCIAOR/CCIMLS paid air travel may be scheduled without prior approval of the CEO and only coach class tickets will be assumed by the Association.
2. **AUTO TRAVEL:** Travel by personal auto on CCIAOR/CCIMLS business except for travel to CCIAOR offices will be reimbursed for actual miles traveled at current IRS approved rates. Expenses such as parking fees, tolls, etc., will be reimbursed if the proper receipts are submitted and approved by the CEO.
3. **OVERNIGHT TRIPS:** Expenses for lodging, meals, tips, and other related expenses will be paid by the CCIAOR/CCIMLS with proper receipts and approval. No alcohol will be reimbursed by the Association. Hotel expenses will only be incurred for those traveling more than two hours off Cape (exception: see Island BOD Travel policy). The CEO has the ability to waive this stipulation if it requires the travel is required for consecutive days and off Cape.
4. **HOTEL EXPENSE:** The CEO/or assigned staff shall determine the hotel accommodations in order to minimize the cost to the CCIAOR/CCIMLS. When traveling on business, you are representing the CCIAOR/MLS and it may not always be appropriate for spouse and/or children or friend(s) to travel with you. You should consult the CEO to determine if it is appropriate to have family members accompany you on any CCIAOR/MLS trip.
5. **PER DIEM REIMBURSABLE EXPENSES:** The Association will reimburse up to the maximum per diem expense that is determined by IRS rates. This will include the cost of meals. Receipts are required for all expenditures over \$5.
6. **CANCELLATIONS:** The Association will not assume cancellation fees. If a volunteer has already committed to a trip, but is unwilling or unable to attend, the volunteer will assume all fees pre-paid for the trip. The CEO can waive this in the event of extreme and unforeseen circumstances.

## ISLAND BOARD OF DIRECTOR TRAVEL

CCIAOR will pay all reasonable transportation costs for CCIAOR/CCIMLS Board of Directors to travel from the Islands to the location for meetings. CCIAOR will reimburse the cost of a plane flight or boat trip (with car). If needed, CCIAOR will also pay reasonable transportation cost of a car rental for the day of travel. Expenses such as parking fees, tolls, etc., will be reimbursed if the proper receipts are submitted and approved by the CEO. Parking fees will only be paid for the day of the meeting. If CCIAOR requires an Island BOD member to be on Cape Cod for two consecutive days, schedules a meeting too early for planned island transportation or weather delays a return to the Island, CCIAOR will cover a hotel stay (see Hotel Expense in Travel Expense Allowances). Island Board of Director members are required to work with the CEO/or assigned staff to determine the budget for their travel for the year and the CEO may make alterations to this policy within the budget amount.

## MEETING PROTOCOL

Committee and Board of Directors Meetings shall be held in accordance with Robert's' Rules and the Association Bylaws. Committee and Board of Director meetings shall be held at the Association office.

The Leadership, and most specifically the President/s, should meet with all committee chairs at the beginning of the year and speak to the issues before the CCIAOR/CCIMLS. This meeting should take place within 45 days of the election and it should address their charge, per the current strategic plan, and any initiatives of the Association. All committees are to be appointed within 60 days of the beginning of the New Year, per the by-laws.

All agendas for all other committee meetings shall be drawn and distributed by the staff liaison in collaboration with the committee leadership.

## ROLE OF STAFF LIAISONS

The CEO will assign a professional staff member to assist Committees. The staff liaison is responsible for:

- Assisting with scheduling and preparation of notices and agendas
- Implementing or assisting with most committee policies and projects
- Advising on Association policies and procedures
- Handling correspondence
- Providing continuity from year to year

## CONDUCTING AN ELECTRONIC MEETING

- Any committee member who attends via phone or conference should be identified and introduced to everyone in the room.
- All votes should be directed to the caller to give them an opportunity
- All discussion should be conducted so the caller can hear it/see it.

## AGENDAS & MEETING MINUTES

Agendas for Board meetings are to be created by the CEO or Staff Designee and in consultation with the Executive Committee. All agendas are to be distributed to the Board of Directors 4 days prior to the meeting.

All committee minutes and BOD meeting minutes should include the following:

- Written minutes should be taken at every meeting and stored at the CCIMLS/CCIAOR to provide a permanent record;
- All minutes must be approved at the next committee meeting;
- All minutes should contain all motions made and the vote. The vote should include any nay votes and any abstentions. The nays and abstentions should be listed by member name if so requested;

- All committee and task force recommendations must have Board of Director approval before the policy can be enacted.

## **OPERATING POLICIES**

### **OFFICE OPERATING HOURS AND DAYS**

The CCIAOR and CCIMLS offices will be open Monday through Friday from 8:30 a.m. to 5 p.m. except for the dates noted below. The office may close for special events at the discretion of the CEO and the office will operate under the Dennis Yarmouth School District schedule for inclement weather delays and closings.

The office will be closed on the following days:

New Year's Day  
 Martin Luther King, Jr. Day  
 Presidents Day  
 Memorial Day  
 July 4  
 Labor Day  
 Thanksgiving Day  
 Friday following Thanksgiving

For Christmas, see the schedule below:

If Christmas Day falls on:	CCIAOR/CCIMLS office closes on:
Monday	Mon. and Tue.
Tuesday	Mon. and Tue.
Wednesday	Tue. at 1:00pm; Wed. and Thurs.
Thursday	Wed. at 1:00pm; Thurs. and Fri.
Friday	Thurs. and Fri.
Saturday	Fri. and Mon.
Sunday	Mon. and Tue.

### **PROCEDURE FOR SAME COMPANY DIRECTOR LIMITATIONS**

If for any reason, including but not limited to, company merger(s), elections, and/or appointments, there exists more than two acting directors from the same company, and the current bylaws do not resolve the matter, then the DR for the company shall determine which two acting directors shall remain in office. To achieve same, the following procedure shall be followed:

1. Upon notice that more than two acting directors from the same company are in office, the Association's Board of Directors shall send a letter to the DR for said company requesting that the DR select, in writing, which two directors shall remain in office;
2. The letter shall include a list of the company's acting directors' names, positions and terms;
3. The letter shall provide a 14 (fourteen) day response period for the DR to make his/her written response;
4. At the expiration of 14 (fourteen) days, from the date on the letter, if the Board of Directors has not received a response, then the Board of Directors shall determine, by majority vote, which two directors shall remain in office.

## INSTALLATION OF OFFICERS

The Installation ceremony should take place within 60 days of the annual meeting. The installation date and location shall be approved by the Board of Directors.

## LEGAL POLICY

The CEO or his designee is the only authorized representative to engage the services of the legal counsel unless specifically authorized by the CEO or by the majority of the CCIAOR or CCIMLS Board of Directors or if acting within the Whistleblower Policy.

The legal counsel for the Association is the law firm of Ardito, Sweeney, Stusse, Robertson & Dupuy. Other counsel may be hired for contracted services as approved by the CEO or Board of Directors through the budget of CCIAOR or CCIMLS or through a motion of the Board of Directors.

## COMMITTEE SELECTION PROCESS

Committee and Task Forces membership is to be determined pursuant to the bylaws, which requires rosters to be appointed by the end of February. Task Forces may be added at any time throughout the year and are created when the Board of Directors confirms their roster and/or structure.

The President recommends members and committee structure to the Board of Directors for approval and shall consult with the CEO and President-Elect in making those recommendations. Staff shall solicit and collect names of volunteers. Any member who has expressed interest shall be considered for appointments.

## MAR DIRECTOR APPOINTMENTS

Prior to November 1st, the current President-Elect shall appoint MAR Directors and alternates for the upcoming year based on the allocation given to CCIAOR by the Massachusetts Association of REALTORS®. Any vacancies during the year of CCIAOR's allocated directors or alternates shall be filled by appointment by the CCIAOR President. Under MAR policy, the

CCIAOR President fills one of the allocated MAR Director seats. Per the CCIAOR bylaws, MAR Director terms are for two years and shall not be for more than two consecutive terms. The President's term shall only be for the year they serve as President.

## AWARDS COMMITTEE

The Awards Committee shall be comprised of the following participants:

- The most immediate recipient of CCIAOR's REALTOR® of the Year (provided they are a current member) or the most recent willing and eligible past recipient;
- The most immediate recipient of CCIAOR's Chuck Lockhart Award (provided they are a current member) or the most recent willing and eligible past recipient;
- The most immediate recipient of CCIAOR's Affiliate of the Year Award (provided they are a current member) or the most recent willing and eligible past recipient;
- A past president appointed by the president;
- A current member of the Board of Directors appointed by the president.

Committee Responsibilities:

The awards committee shall meet annually and with enough time prior to the annual presentation of the Association's awards to consider candidates and name recipients for the Association awards. Announcement of award recipients is kept confidential until the Award Ceremony. The Association awards are:

**REALTOR® of the Year:** This award recognizes those individuals whose work expands the interest of their fellow REALTORS®, their profession, and the community at large. The Massachusetts Association of REALTORS® guidelines for selecting the REALTOR® of the Year based on category breakdowns shall be used for determining the award recipient. The current MAR criteria is broken down as the following for the individual's effort over the past 18 months: REALTOR® spirit, 10%; Civic Activity, 30%; Local Board Activity, 30%; Business accomplishments and recognition, 10%; State Association involvement, 15%; National Association involvement, 5%.

**Chuck Lockhart Award:** This award was created in 1996 to honor and recognize exemplary service to CCIAOR & CCIMLS and was designed as a distinguished service award. It is different than REALTOR® of the Year as the Chuck Lockhart Award is for continued and distinguished service throughout a member's career on an ongoing nature to CCIAOR and CCIMLS and is based on continued participation in its activities and loyalty to its purpose.

**Affiliate of the Year Award:** This award is given to the Association affiliate member who has gone beyond the normal affiliate participation level and given immense value to the Association and its efforts through their participation in Association activities.

## CEO REVIEW COMMITTEE

The CCIAOR CEO Review Committee shall be comprised of the following participants:

- CCIAOR Immediate Past President;
- Two (2) members of the CCIAOR Board of Directors recommended by the Executive Committee and appointed by the CCIAOR Board of Directors (2-year terms, staggered);
- Two (2) members recommended by the Executive Committee and appointed by the CCIAOR Board of Directors, who must have served as a committee, task force or group chair or on the Board of Directors in the past three years and are not current Board of Director member (2-year terms, staggered)
- The Board of Director member in the second year of their term shall serve as chair of the committee.

Committee Responsibilities:

- Conduct the Annual CEO Review:
  - o The annual review process will conclude not less than 60 days prior to the expected annual presentation of the budget to the Board of Directors;
  - o The committee chair will formally set the meeting schedule;
  - o The CEO will complete the CCIAOR Employee Self Evaluation form and submit it to the committee prior to the established meeting the chair sets;
  - o The committee will complete the CCIAOR CEO Evaluation during a scheduled meeting, review the CEO's self-evaluation and met with the CEO. They shall have access to previous performance reviews conducted on the CEO;
  - o The Committee must offer to meet with the chief staff member that is not the CEO, the Association's CFO, the Association's Executive Committee (as a whole or individually), the Board of Directors, and current committee chairs;
- Recommend adjustments to the CEO's compensation package with approval from the CCIAOR Board of Directors;
- Recommend bonuses based on merit or association and/or MLS financial performance with approval from the CCIAOR Board of Directors;
- The CEO should have the right to appeal the performance review to the entire Board of Directors.

CEO Personnel File:

- The original performance review should go into the CEO's personnel file, which shall be kept at CCIAOR by the Association's CFO. A copy of the CEO's personnel file shall also be kept by the Association's legal counsel. No other copies of the CEO's personnel file shall be kept.

## FINANCIAL POLICIES

### ANNUAL BUDGET

A budget is to be approved by the CCIAOR/CCIMLS Board of Directors annually. A zero-based budget approach will be utilized, with detailed explanations provided for all projected revenues

and expenses, regardless of prior year data. Staff will develop the administrative budget proposal. These budgets will be combined and reviewed by the CEO and presented to the Secretary/Treasurer and Finance Committee in accordance with CCIAOR Bylaws. At least one meeting advertised and open to the membership shall be held to present the proposed budget prior to the Finance Committee recommending a budget to the Board of Directors.

## CHECK SIGNATORIES

The CEO, the Secretary/Treasurer and one additional staff member as assigned by the CEO shall have the authority to sign checks on behalf of the Association. The CEO shall be the primary check signatory or in the CEO's stead, the additional staff member assigned by the CEO. The Secretary /Treasurer shall serve as the second signatory on checks above \$10,000 and the primary signatory on all expenses and reimbursements of the Chief Executive Officer. If the Secretary/Treasurer fails to authorize the CEO's reimbursement/expenditure, then a motion of the CCIAOR Executive Committee may direct the staff signatory to execute the action.

## REVIEW OF FINANCIAL INFORMATION

Each month, the staff accountant will reconcile all bank statements and ensure accounts payable and accounts receivable are current and accurate. The CEO will be provided a copy of the general ledger and financial statements for review. Once approved by the CEO, a financial summary shall be presented to the Secretary/Treasurer, outlining totals of assets and liabilities, along with the monthly revenues and expenses. The Board of Directors and Finance Committee shall be provided a copy of the financials at their meeting. These summaries will include actual revenues and expenses compared to the budget. Upon request, any member of the Board or Finance Committee shall be provided additional detailed information including but not limited to the balance sheet, general ledger and detailed income statement.

## FINANCIAL TRANSPARENCY

As member driven (CCIAOR) and cooperation based (CCIMLS) organizations, both CCIAOR and CCIMLS are committed to providing maximum transparency to its key stakeholder groups. In addition to the regular reporting outlined in the "Review of Financial Information" section, members of either organization's Board of Directors shall be provided, upon request, detailed General Ledger activity of all organization activity, with the exception of personnel records including salary and other personnel information deemed confidential. CCIAOR members and MLS Participants shall be permitted to review the corresponding organization's balance sheet and/or income statement upon request and in the presence of the CEO/or his designee, Board President or Secretary/Treasurer. Consumers, non-members, MLS subscribers, and other outside parties are entitled only to review the organization's federal tax filings as detailed in the "Request for Financial Records" section.

## **REQUEST FOR FINANCIAL RECORDS**

In accordance with IRS guidelines, the Association shall make readily available copies of the organization's IRS Letter of Determination and copies of the organization's IRS Form 990 for the most current three years from the date of request. All such information has been made widely available to the general public at no charge online at <https://www.Guidestar.org>. Active members in good standing may be given electronic copies of these documents upon request. Anyone requesting printed copies of these documents shall be assessed a reasonable charge (as determined by the IRS) of \$1.00 for the first printed page and \$0.15 for each additional printed page. All requests for these public documents must be honored within three business day of request. Requests for public inspection of records (whereby no copy of the forms are requested, rather a review only) shall be honored within five business days of request. All financial record inspections shall be done with the organization's CEO/or his designee, Board President or Secretary/Treasurer present. Please direct all financial inquires to the CEO. Any email or hard copy communications containing financial information is to be kept confidential and only disclosed through the mechanisms prescribed in this policy manual.

## **ACCOUNTING METHOD**

CCIAOR and CCIMLS shall operate using the accrual method of accounting in accordance with generally accepted accounting principles.

## **FISCAL YEAR**

The fiscal year for both CCIAOR and CCIMLS is Jan. 1 through Dec. 31.

## **INDEPENDENT REVIEW**

Independent review of both the CCIAOR and MLS financial records shall be conducted annually by an outside CPA firm approved by the CCIAOR Board of Directors. Final accountant communications and associated reports will be submitted to each Board for review. The independent review shall be conducted by Wolf & Company, P.C.

## **FEDERAL AND STATE TAX FILINGS**

An independent CPA firm will be utilized for preparation of all annual tax documents. The CCIAOR Board of Directors shall be provided a copy of the organization's Form 990 prior to submittal for review. The tax filings shall be prepared by Wolf & Company, P.C.

## **RECORD RETENTION POLICY**

This policy has been adopted effective October 4<sup>th</sup>, 2017 by the Cape Cod and Islands Association of REALTORS®, INC.'s ("CCIAOR") and the Cape Cod and Islands Multiple Listing

Service, Inc.'s ("CCIMLS") Board of Directors (collectively referred to as "CCIAOR/CCIMLS"). This policy has been developed to create a standard for destruction and retention of records and documents (collectively referred to as "records"). This policy governs the retention periods for each type of record. This policy also prohibits the destruction under certain circumstances involving official investigations as required by the Sarbanes Oxley Act and other applicable law.

The following guidelines for maintenance, preservation, and destruction of records were written to enhance efficiency and compliance with legal requirements. They are intended to govern the management of documents retained and discarded by CCIAOR/CCIMLS to comply with all applicable laws and regulations. This policy also enhances the ability to preserve organizational history.

Records will be retained for the period indicated for each type of record. Records may be maintained in written paper form, or whenever possible, records will be scanned and be maintained in an electronic format provided the following:

- A. The recordkeeping system has reasonable controls to ensure integrity, accuracy, authenticity and reliability of the records in electronic form;
- B. The electronic records are maintained in reasonable order, in a safe and accessible place, and in such manner as they may be readily inspected or examined (for example, the recordkeeping system should be capable of indexing, retraining, preserving, retrieving and reproducing the electronic records);
- C. The electronic records can be readily converted to legible and readable paper copy as may be needed;
- D. Adequate records management practices are established and implemented (i.e. following procedures for labeling of electronically maintained or retained records, providing a secure storage environment, creating back-up electronic copies and selecting an off-site storage location, observing a quality assurance program evidenced by regular evaluations of the electronic recordkeeping system including periodic checks of electronically maintained or retained records, and retaining paper copies of records that cannot be clearly, accurately or completely transferred to an electronic recordkeeping system); and
- E. The document is not a type for which other legal principles specific that only an original, and not a copy is required (such as a negotiable instrument that is issued or endorsed to "bearer").

Records shall be destroyed by appropriate methods upon review and determination by staff. Any records subject to judicial or administrative proceedings should not be destroyed until such time as the proceedings have been completed and CCIAOR/CCIMLS's Legal Counsel approves destruction of such records.

### **Record Type and Retention Period**

#### Accounting Records

- Accounts payable (seven years)

- Accounts receivable (seven years)
- Annual financial statements (permanent)
- Bank statements (seven years)
- Bank reconciliations (seven years)
- Deeds and closing papers (permanent)
- Deposit slips (four years)
- Electronic payment records (seven years)
- Fixed-asset acquisition invoices (seven years)
- General ledgers (permanent)
- Inventory count & costing sheets (seven years)
- Insurance policies (after expiration) (four years)
- Mortgages, loans & leases (paid) (seven years)
- Payroll journals & ledgers (permanent)
- Sales tax returns & exemption support (five years)
- Tax returns (federal & state) (if applicable) (permanent)
- Trial balances (permanent)

#### Association Corporate Records

- Articles of Incorporation and amendments (permanent)
- Bylaws and amendments (permanent)
- Corporate filings (permanent)
- Corporate Minute Book (permanent)
- IRS Exemption Letter (permanent)

#### Employment Records

- Documents relating to job recruitment: advertising, job orders submitted to employment agencies, interviewing, testing, hiring (one year)
- Employee benefit plan documents (duration of plan)
- FMLA leave records including: all FMLA information and notices distributed to these employees and records of any FMLA disputes.
- Garnishments / wage assignments (three years)
- Immigration I-9 forms (duration of employment plus one year, minimum of three years)
- Payroll records showing name address, date of birth, occupation, rate of pay, and weekly compensation (three years)
- Personnel Records (ten years after employment ends)
- Record of all occupational injuries, including those under state workers compensation law and any ERISA awards (seven years)

#### Legal Documents

- Contracts (ten years after expiration)
- Trademarks, Patents & Copyrights (permanent)
- Warranties & Guaranties (two years beyond terms of the warranty)

#### MLS Documents

- Rules and Regulations (permanent)
- MLS Policies (permanent)
- Listing agreements (minimum of one year past expiration of listing)
- Sold property information (ten years after sale)

- Subscriber Agreements (ten years after expiration)
- Participation Agreements (ten years after expiration)
- Website Click-Through Confirmations (ten years)

#### NAR / Association Documents

- NAR charter (permanent)
- Territorial jurisdiction (permanent)
- REALTOR® Agreement (until superceded)
- Member file & membership applications (five years after membership terminates with financial information removed if applicable)
- Professional Standards Hearing Records: Ethics (result of hearing- permanent; rest of hearing file- minimum of three years after satisfaction of sanctions (if any) and there is no threat of litigation)
- Arbitration / Mediation (minimum of three years after payment of award (if any) and there is no threat of litigation)

#### Property Records

- Deeds of Title (permanent)
- Leases (two years after expiration)
- Depreciation schedules (permanent)
- Property Damage (seven years)
- Property Tax (permanent)
- Appraisals (permanent)
- Blueprints / Plans (permanent)
- Warranties & Guaranties (two years beyond terms of the warranty)

#### Pension & Profit Sharing

- ERISA disclosure documents (six years from date disclosure was due)
- IRS Determination Letter(s) (permanent)
- Forms 5500 & plan documents (permanent)

## **HARASSMENT POLICY**

Any CCIAOR/CCIMLS member may be reprimanded, placed on probation, suspended or expelled for harassment of a CCIAOR/CCIMLS employee or association officer or volunteer. As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment.

The decision of the appropriate disciplinary action to be taken shall be made by the investigative team comprised of the president, and president-elect and one member of the Board of Directors selected by the highest-ranking officer not named in the complaint, upon consultation with legal counsel for CCIAOR/CCIMLS. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the president or

president-elect they may not participate in the proceedings and shall be replaced by the immediate past president or, alternatively, by another member of the board of directors selected by the highest-ranking officer not named in the complaint.

## **SEXUAL HARASSMENT POLICY**

Any member of CCIAOR/CCIMLS may be reprimanded, placed on probation, suspended or expelled for sexual harassment of a CCIAOR/CCIMLS Member or employee. The decision of the appropriate disciplinary action to be taken shall be made by the President or President-Elect and one member of the Board of Directors selected by the highest-ranking officer not named in the complaint, upon consultation with counsel for the CCIAOR/CCIMLS. If the complaint involves the President or President-Elect, they may not participate in the proceedings and shall be replaced by the Past President or alternatively, by another member of the Board of Directors selected by the highest-ranking officer not named in the complaint.

## **WHISTLEBLOWER POLICY**

CCIAOR requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees and members of the Association must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

## **REPORTING RESPONSIBILITY**

This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns internally so that the Association can address and correct inappropriate conduct and actions. It is the responsibility of all board members, officers, employees and volunteers to report concerns about ethics violations or suspected violations of law or regulations that govern the Association's operations.

## **NO RETALIATION**

It is contrary to the values of the Association for anyone to retaliate against any board member, officer, employee or volunteer who in good faith reports an ethics violation, or a suspected violation of law, such as a complaint of discrimination, or suspected fraud, or suspected violation of any regulation governing the operations of the Association. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

## **COMPLIANCE OFFICER**

The Chief Executive Officer of the Association or his or her designee shall serve as the officer responsible for ensuring compliance with this Whistleblower Policy (the "Compliance Officer").

The Compliance Officer is responsible for ensuring that all complaints about unethical or illegal conduct are investigated and resolved. The Compliance Officer will advise the Executive Committee of all complaints and their resolution.

## REPORTING PROCEDURE

The Association has an open-door policy and suggests that employees share their questions, concerns, suggestions or complaints with their supervisor. If you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with the CEO, President or the Association's Legal Counsel. Supervisors and managers are required to report complaints or concerns about suspected ethical and legal violations in writing to the Association's Compliance Officer, who has the responsibility to investigate all reported complaints. Employees with concerns or complaints may also submit their concerns in writing directly to their supervisor, the Chief Executive Officer, the President or the Association's Legal Counsel.

## ACCOUNTING AND AUDITING MATTERS

The Association's Compliance Officer shall notify the Finance Committee of any concerns or complaint regarding corporate accounting practices, internal controls or auditing and work with the committee until the matter is resolved.

## ACTING IN GOOD FAITH

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

## CONFIDENTIALITY

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

## HANDLING OF REPORTED VIOLATIONS

The Association's Compliance Officer will notify the person who submitted a complaint and acknowledge receipt of the reported violation or suspected violation. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.