

NAR ELECTIONS REPORT
MAY 8, 2014

The Elections PAG was charged with reviewing the current policies and procedures and to consider modifications to the endorsement, campaign, and elections processes and timeline. The PAG met on September 30 and October 1, 2013; January 13 and 14; February 23 – 24; and April 14, 2014.

The PAG received input through surveys, interviews of campaign managers and past candidates involved in contested races, a review of campaign policies from many large state associations and a review of the reports of prior PAGs was also conducted.

This report outlines changes to the NAR campaign and election process by creating a more efficient and inclusive campaign process. First, by reducing the campaign timeline to an eight-month period, candidates and associations will see a reduction in the amount of time, association resources, and money spent on election campaigns. Secondly, a reduction in the amount of resources required to run for a NAR elected office will allow more members the opportunity to campaign. Thirdly, a shortened campaign timeline allows candidates to focus their campaign efforts on the NAR directors voting in the candidate's election year. Finally, the campaign process will likely become more open and inclusive because all eligible candidates will be included on the ballot for the board of director's consideration.

RECOMMENDATIONS:

Recommendation #1: That the name and purpose of the Nominating Committee be changed. *

Proposed Name: Credentials and Campaign Rules Committee ("CCRC")

Proposed Purpose: To determine candidate eligibility for all NAR elected offices and to establish, monitor and enforce campaign and election rules, including any appeals. (The purpose, composition, and function of the Credentials and Campaign Rules Committee is outlined in Exhibit A, page 23.)

(*The proposed name change from Nominating Committee to Credentials and Campaign Rules Committee requires an amendment to Article X of NAR's Constitution.)

Rationale: There is a need for clearer rules and stricter oversight on credentials and campaign activities as well as a need for strict enforcement and consequences for violations.

The CCRC will enforce the campaign and election standards and impose penalties for violations. The CCRC will be responsible for a) establishing and enforcing the rules and regulations for campaigning; b) establishing and enforcing the rules and regulations for candidate endorsements; conducting appeals hearing; and overseeing the Candidate Forums held at the NAR November and May national meetings.

The name, purpose and composition of the Candidate Audit Work Group will remain the same.

Recommendation #2: That a candidate must meet the four required criteria (“Minimum Criteria”) in order to be deemed eligible to run for NAR elected office.

- i. No personal bankruptcy within the last 7 years
- ii. No personal foreclosures within the last 7 years
- iii. Credit score above the baseline required for a mortgage backed by the FHA
- iv. No current delinquent tax filings and/or payments

Rationale: Adding objective criteria to the audit process will provide defined benchmark when conducting the candidate evaluations. All eligible candidates will be forwarded to the board of directors for consideration. The committee will no longer nominate and recommend a single candidate. If a candidate is deemed ineligible by the Candidate Audit Work Group, the candidate will have the right to appeal in accordance with the established appeal process.

Recommendation #3: That the campaign and election timeline be shortened to a ten-month timeframe, to begin August 1 and run through the election the following May.* (Exhibit B)

(*The proposed change requires an amendment to Article X of NAR’s Constitution.)

Recommendation #4: That sitting NAR officers will file a quarterly report verifying any changes to their financial, criminal or legal status.*

Rational: Sitting NAR officers will be required to file a quarterly report verifying they continue to meet the Minimum Criteria and nothing substantial has changed since filing their initial application. This requirement is similar to that which is required of officers of public corporations.

(*The proposed change requires an amendment to Article VII of NAR’s Constitution)

Recommendation #5: Upon approved by the Board of Directors, these recommendations will be effective January 1, 2015.

Elections PAG Members:

Pat Combs (MI), Chair
Rob Authier (MA)
Jean Crosby (IL)
Keith Kanemoto (CO)
Kit Hale (VA)
Larry Keating (MO)

Barbara Kennon (GA)
Barbara Lach (OH)
Lance Lacy (TX)
Ted Loring (CA)
Rei Mesa (FL)
Dave Phillips (PA)

Beth Pearce (CA), 2014 Vice
President
Stephanie Walker (NC)
Lesley Walker (IL), Associate
Counsel
Idis Rivera (IL), NAR Staff

Graph Timeline of Important Dates Campaign & Election Timeline for Candidates Seeking a National Office in 2017

President-Elect, First Vice President, Treasurer and Regional Vice President

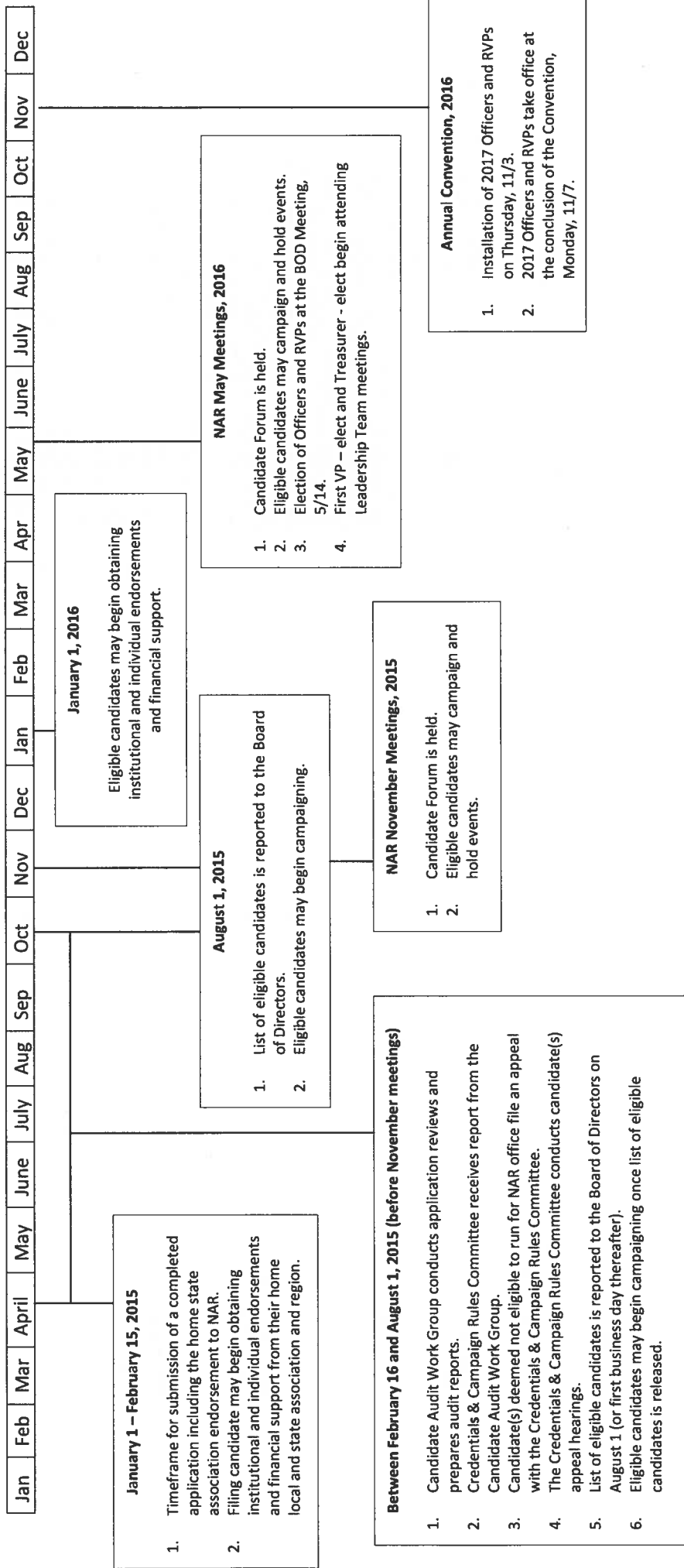


Exhibit B



NATIONAL
ASSOCIATION *of*
REALTORS®

Campaign & Election Process

For Candidates Seeking a National Office

Table of Contents

Glossary of Terms	3
Announcement of Candidacy	4
Candidate Application	5
Candidate Review Process	6
Appeals Process	9
Notification of Eligible Candidates.....	9
Campaign and Endorsement Rules	10
Rules for Campaign Materials	11
Campaign and Endorsement Rules Violations, Sanctions and Appeal Process	12
Election and Installation of Officers	15
Function, Duties and Responsibilities of Elected Office:	
President	16
President-Elect	18
First Vice President	19
Treasurer	20
Regional Vice President	21
Credentials and Campaign Rules Committee	23
Campaign Endorsement Policy for Committee Members	25
Campaign Endorsement Policy for Leadership Team.....	26
Candidate Audit Work Group	27
Kniskern Formula for Past President Representation	30

Glossary of Terms

CACW refers to the Candidate Audit Work Group.

Companies refer to those companies or firms that are owned and operated by REALTORS[®] members.

Eligible Candidate refers to any Member who has appropriately filed an application and been deemed eligible by the Credentials & Campaign Rules Committee.

Individual endorsement refers to members.

Institutional endorsement refers to non-individual endorsements (i.e. Regions, State and Local Associations, companies).

Members refers to all members of the National Association of REALTORS[®]

Potential Candidate refers to any Member who intends to campaign for an elected office of the National Association of REALTORS[®], but who has not yet filed an application with the Credentials & Campaign Rules Committee.

Announcement of Candidacy

A Potential Candidates must first receive their home state association endorsement.

Potential Candidate may discuss their intent to be a candidate with their home state and region prior to submitting an application to NAR. However, prior to notification of eligibility, a Potential Candidate may not: 1) distribute campaign materials; 2) appear before a group for the purpose of discussing their intent to run for NAR elected office; 3) meet with State and Local Associations, Regional Vice Presidents or National Directors, other than a Potential Candidate's home state association, local association or region for campaign purposes; or 4) conduct any other organized campaign activities.

The Potential Candidate shall not receive, accept or publish any commitment of current or future institutional or individual endorsement or financial campaign support, other than from a Potential Candidate's home state association, local association or region, prior to January 1 of the year immediately preceding the year in which the Potential Candidate is running for election.

To ensure that the individuals approving an endorsement are the same individuals that are voting to elect the candidate, local and state associations, and regions shall not endorse a candidate, issue a letter of intent or take any other action which can be construed as a promise of endorsement prior to January 1 of the year in which the Potential Candidate is running for election (other than the Potential Candidate's home state association, local association or region).

A Potential Candidate for the National Association for the offices of President–Elect, First Vice President, Treasurer and Regional Vice President, must file an application with the Credentials and Campaign Rules Committee between January 1 and February 15 of the year prior to their election.

Candidate Application

The application for elected office must be completed in its entirety and signed by the Potential Candidate and a current officer volunteer or association executive of the state association. The application must include the Potential Candidate's signed authorization form to obtain financial, legal and criminal background reports for use in connection with the audit and election process.

Authorization for Release of Information

The Constitution of the National Association requires that the candidate audit process include a financial and legal audit, as well as a criminal background investigation.

All Potential Candidates must complete and sign the NAR Authorization for Release of Credit, Legal and Criminal Background Report Form, authorizing the National Association to obtain a credit report to be reviewed by NAR's Financial Auditor; and criminal background investigation and legal audit, to be reviewed by NAR General Counsel.

A Potential Candidate must submit their application for elected office between January 1 and February 15 of the year immediately preceding the year in which the Potential Candidate is running for election. Applications should be marked "personal and confidential", and sent directly to:

Staff Executive, Credentials and Campaign Rules Committee
NATIONAL ASSOCIATION OF REALTORS®
430 North Michigan Avenue
Chicago, IL 60611

Candidate Review Process

Following the February 15th deadline there will be a review of the application and legal, financial and criminal background audit reports of all candidates who have filed notice of their intent to be a candidate to serve as an officer of the National Association.

Each Candidate must meet the following eligibility criteria ("Required Criteria"):

- No personal bankruptcy filing within the last 7 years
- No personal foreclosures within the last 7 years
- Credit score above the baseline required for a mortgage backed by the FHA
- No current delinquent tax filings and/or payments

Examples of additional issues that will be considered by the Candidate Audit Work Group are but not limited to:

- Liens
- Bankruptcies (personal and business)
- Foreclosures
- Three or more accounts with late payments (60 or more days) in the current year
- Code of Ethics violations resulting in termination or suspension of membership
- Delinquent child support payments
- Late tax filings and/or payments
- All convictions except traffic violations (unless it is driving under the influence)*
- Regulatory investigations (personal or company) if a violation was found*
- Pending regulatory investigations (personal or company)*
- Pending litigation (personal or company)*
- Judgments (personal or company)*
- Compliance with established NAR campaign rules

* Reportable conviction, regulatory investigations, pending litigation, and judgments only include matters that could reasonably represent a source of embarrassment or liability to NAR or would present a conflict with the policies of NAR which the Potential Candidate would be called upon to uphold in their capacity as an officer, as determined by the NAR General Counsel.

Financial Audit

The purpose of the financial audit is to confirm the candidate's capacity to accept the financial burdens of the office. The financial audit will be conducted by NAR's financial auditor who shall prepare an evaluation for submission to the Candidate Audit Work Group

identifying issues from those reports based upon the guidelines established by the Board of Directors.

Candidates for the office of President-Elect, First Vice President, and Treasurer shall provide the completed Financial Disclosure Statement by February 15 directly to the NAR staff executive of the Credentials and Campaign Rules Committee. The NAR staff executive will provide the outside financial auditor the completed financial disclosure statements and credit reports. Failure to provide a completed financial disclosure statement may deem candidate ineligible.

Criminal Background Investigation

The purpose of the criminal background investigation is to ensure that any issues presented by such matters are known to the National Association and may be assessed and anticipated.

Legal Audit

In light of the high visibility of this position, a candidate for elected office shall cooperate in a legal audit of previous matters or matters pending against them, their firms, or firms in which the candidate is a principal, partner or corporate officer. The purpose of the audit is to ensure that any issues presented by such matters are known to the National Association and may be assessed and anticipated.

The candidate's legal audit shall be conducted by, and the criminal background reports shall be obtained by, the NAR General Counsel who shall prepare an evaluation for submission to the Candidate Audit Work Group identifying issues from those reports based upon the guidelines established by the Board of Directors.

Candidates who have matters pending against them shall provide to NAR General Counsel, in an envelope marked "personal and confidential", information regarding the three categories below:

1. Pending federal, state and county litigation and regulatory action.
2. Judgments entered against the candidate or a firm in which the candidate is a principal, partner or corporate officer.
3. Any disciplinary action taken against the candidate or a firm in which the candidate is a principal, partner or corporate officer.

Such letters shall be sent to the following address:

Attention: NAR General Counsel
NATIONAL ASSOCIATION OF REALTORS®
430 North Michigan Avenue
Chicago, IL 60611

After the Candidate Audit Work Group meets, issues disclosed by the financial, criminal background or legal audits will first be reported to the candidate who will be given thirty (30) days to correct any inaccurate information or offer information in mitigation before the final reports are provided to the Credentials and Campaign Rules Committee. In addition, the Candidate Audit Work Group may, in its discretion, request a personal interview with the Potential Candidate.

If a Potential Candidate is deemed ineligible by the Candidate Audit Work Group, the Potential Candidate may file an appeal request with the Credentials and Campaign Rules Committee.

The Credentials and Campaign Rules Committee will conduct appeal hearings in a timely manner.

The Credentials and Campaign Rules Committee must reach a 2/3 majority vote of members present in order for the Potential Candidate to move forward.

Potential Candidate Appeal Process

- 1) Within ten (10) days of receipt of a Potential Candidate's ineligibility, as determined by the Candidate Audit Work Group, a Potential Candidate may file a written appeal with the Chair of the Credentials and Campaign Rules Committee.
- 2) The Potential Candidate's appeal must include the following information:
 - a. Basis for Potential Candidate's appeal.
 - b. Supporting documentation to support the Potential Candidate's basis for the appeal.
 - c. Whether the Potential Candidate would like the opportunity to make their appeal in person.
- 3) Within ten (10) days receipt of such appeal, the Credentials and Campaign Rules Committee Chair shall forward a copy of the Potential Candidate's appeal and supporting materials to the full Credentials and Campaign Rules Committee for review.
- 4) If the Potential Candidate requested an in-person hearing, the Chair of the Credentials and Campaign Rules Committee will notify the candidate of the date of the appeal hearing within five (5) days of receipt of the appeal. If the Potential Candidate did not request an in-person hearing, the Credentials and Campaign Rules Committee shall meet via teleconference.
- 5) The Credentials and Campaign Rules Committee shall hold all appeal hearings no later than August 1 of the year in which the Potential Candidate filed their application.
- 6) Within five (5) days of holding an appeal hearing, the Chair of the Credentials and Campaign Rules Committee shall notify Potential Candidate in writing the Credential and Campaign Rules Committee's decision.
- 7) The Credential and Campaign Rules Committee's decision on Potential Candidate's shall be final.

Notification of Eligible Candidates

The Credentials and Campaign Rules Committee shall release the list of Eligible Candidates on August 1 or the first business day thereafter in the year prior to the election.

Campaign and Endorsement Rules

- 1) A Potential Candidate may discuss their intent to be a candidate with their home state and region prior to submitting an application to NAR.
- 2) No campaigning prior to the notification of eligibility (August 1 or the first business day thereafter). Prohibited activities include: 1) appear before a group for the purpose of discussing their intent to run for NAR elected office; 2) meet with State and Local Associations, Regional Vice Presidents or National Directors, other than a Potential Candidate's home state association, local association or region for campaign purposes; or 3) conduct any other organized campaign activities.
- 3) There shall be no campaign events or public display of campaign materials (banners, flyers, brochures, other signage, distribution of campaign materials, etc.) at NAR events outside of the November and May NAR Meetings.
- 4) Eligible Candidates may not begin campaigning for elected office until the list of eligible candidates has been released.
- 5) Eligible Candidates may not seek, accept or publish any institutional or individual endorsements, except the candidate's home state and local association and region, before January 1 of the year in which the election is held.
- 6) Candidates may not solicit endorsements from members of the Credentials and Campaign Rules Committee.
- 7) Candidates may not seek or receive financial campaign support from their home state and local associations or region until January 1 of the year in which the candidate files their application for elected office. Candidate may seek and receive financial campaign support from all other sources beginning on January 1 of the year in which the candidate's election is held.
- 8) Candidates made aware of campaign violations by others on their behalf shall make reasonable efforts to remediate the violation.
- 9) No campaigning at the board of directors meeting.
- 10) All displayed campaign materials must be removed from all public spaces by no later than 6pm the night before the board of directors meeting.
- 11) Eligible Candidates for office are encouraged to campaign at the November and May NAR national meetings.
- 12) NAR will schedule Candidate Forums at each of the business meetings.

- 13) Each region shall make every reasonable effort to provide all Eligible Candidates, endorsed and non-endorsed, an opportunity to speak and distribute campaign materials at the November and May regional caucuses.
- 14) To ensure compliance with campaign guidelines and policy, candidates must submit campaign materials to NAR for prior review. (Questions regarding compliance and logistics at NAR meetings can be directed to Staff Executive, Credentials and Campaign Review Committee.)
- 15) Members of the Credentials and Campaign Rules Committee shall not endorse any candidate.
- 16) Members of the Leadership Team may not endorse any candidate and must refrain from any direct or indirect campaign involvement, other than their own, during his or her term.
- 17) Members of the Leadership Team should make every reasonable effort to provide all candidates with comparable exposure during their candidacy.

Rules for Campaign Materials

- 1) All materials must contain truthful and accurate information.
- 2) No implications of NAR support or endorsement of the candidate
- 3) Accurately specify the office and year for which Candidate is running for election
- 4) Obtain permission from any people, photos or data used
- 5) Comply with NAR rules regarding displaying or distributing campaign materials at NAR meetings.
- 6) No room drops
- 7) No materials in the Board of Directors meeting.
- 8) May not release any private sanctions imposed on another candidate
- 9) All written campaign materials, whether electronic or in print, must be submitted to NAR prior to its use.

*For purposes of these rules, candidate shall mean the candidate or any of their candidate-approved campaign team members.

Campaign and Endorsement Rules Violations, Sanctions and Appeal Process

If a candidate is suspected of being in violation of the campaign and endorsement rules or campaign materials rules, a written complaint may be filed by any member with the Chair of the Credentials and Campaign Rules Committee. In addition, the Committee may also initiate a complaint against a Candidate for a suspected campaign and endorsement or campaign rules violation.

Process for Submitting a Complaint

1. Verbal or written complaints may be filed with the Chairman of the CCRC. The Chair will reduce the basis of all verbal complaints to writing and request that the complainant acknowledges its accuracy in writing, or request the complainant to submit a written complaint, and communicate it to the entire committee. All complaints must contain the name of the complainant, the date the complaint was received, and a brief summary of the allegations. No anonymous complaints are allowed. The chairman or any member of the committee may initiate a complaint.
2. The Chair of the CCRC, in consultation with NAR General Counsel, reviews the complaint and determines if a possible violation may have occurred. If it appears a violation may have occurred, a group consisting of the Chair or his/her designee, in collaboration with NAR General Counsel and 1 member of the Candidate Audit Work Group, as selected and mutually agreed to by the Chair and NAR General Counsel may a) contact the respondent directly and attempt to resolve the matter, which may include the imposition of a sanction, in a mutually agreeable manner or, b) the Chair or his/her designee may assemble a five member panel to investigate and consider the matter. Nothing shall preclude the chairman or his/her designee from assembling a panel if an attempt to resolve a matter, in a mutually agreeable manner is unsuccessful.
3. Panels are assembled to determine whether a violation has occurred and may require the complainant and/or respondent to provide additional information, or appear before the panel in person or through remote technology. The panel is not bound by rules of evidence and may consider any evidence in the attempt to determine if a violation has occurred. The Chair of the CCRC or his/her designee will chair the panel.

4. The Chair, in consultation with NAR General Counsel will document the resolution of the matter and communicate it to appropriate parties. There is no automatic obligation to communicate the decision of the panel to the complainant.
5. If the respondent wishes to appeal the sanction or decision of the panel for any reason, a de novo* appeal may be filed with the entire Committee. Complainants have no rights of appeal.
6. There shall be no appeal to the findings of the entire Committee.

*The CCRC will act as if it's considering the complaint for the first time, affording no reference to the five member panel's previous decision.

Sanctions

If a violation is found, the panel may impose one or more of the following sanctions:

- Confidential written warning to candidate and the association executive of candidate's state association.
- Confidential Cease and Desist Letter to candidate and candidate's state association executive.
- Confidential letter of censure to candidate, candidate's campaign manager, state association executive and state officers.
- Confidential letter of censure to the candidate and the candidate's regional leadership (RVPs, state presidents and state association executives).
- Public letter of censure read at the Candidate Forum.
- Letter of censure delivered to NAR Board of Directors reporting violation(s).
- Prohibition from running for NAR elected office for a period of three years.

"Candidate" shall mean Potential Candidate or Eligible Candidate.

Appeal Process

- a. Within five (5) business days of the panel's decision, Candidate may file a written appeal, which shall include information supporting their basis for appeal.
- b. The Chair will notify the Candidate of the date and time for the appeal hearing within three (3) business days of receiving the candidate's statement of appeal.
- c. Candidate shall have the right to present their appeal to the full committee. Members of the Committee who served as part of the original review panel are excluded and the Committee Chair shall preside over the proceeding but be a nonvoting member. The candidate shall have the right to present any evidence for up to thirty minutes.
- d. Within five (5) days of the appeal hearing, the Chair shall notify the candidate of the Committee's decision.
- e. The Committee's decision on the appeal is final.

Election and Installation of Officers

NAR May Meetings

The Board of Directors elects the President-Elect, First Vice President, Treasurer and Regional Vice Presidents of NAR by majority vote at the May Meetings. The office of President - elect automatically succeeds to President and therefore not an elected position.

NAR's election process shall provide a system for individual NAR Director voting by secret ballot whenever there is more than one candidate for an office.

November Meetings

The President, President-Elect, First Vice President, Treasurer and Regional Vice Presidents of the National Association will be installed into office during the inaugural banquet at the Association's Annual Convention.

Quarterly Reports

Each officer shall be required to submit a quarterly report within fifteen (15) days of the end of each calendar quarter during their term. The officer shall be required to confirm that they continue to meet the Required Criteria, as established by the Credentials and Campaign Rules Committee.

**PRESIDENT
NATIONAL ASSOCIATION OF REALTORS®**

BASIC FUNCTIONS

1. The President shall serve as Chief Elected Officer, representing the entire membership and the best interests of the Association, the States, Boards, affiliated Institutes, Societies and Councils.
2. Exercises personal leadership in the motivation of other Officers, Board members, committee members, and membership.
3. Influences the establishment of goals and objectives for the Association during term of office.
4. Acts as chief spokesperson and leader and takes an important part in monitoring and evaluating Association performance and effectiveness.
5. Encourages coordination of programs within the Association family -- States, Boards, and affiliated Institutes, Societies and Councils.
6. Establishes, develops, and maintains relationships with other individuals, groups, and associations outside the Association's membership for the mutual benefit of the land and housing industry.
7. The Chief Executive Officer is subject to his oversight and direction, and through him, the entire Association staff.

DUTIES, RESPONSIBILITIES, AND AUTHORITY

Within the limits of the Constitution, Bylaws, policies, and priorities of the Board of Directors, the Chief Elected Officer is responsible and has commensurate authority to accomplish the duties as set forth below:

1. Speaks for the Association in stating and interpreting Association policy to the press, the public, legislative bodies, and other organizations.
2. Advocates public policy favorable to the real estate industry and our members' rights to achieve their professional and civic objectives.
3. Attends meetings of the States, and on some occasions Boards, to encourage increased participation in Association activities and solicit comments on the effectiveness of the Association in serving its members.
4. Promotes active participation in the Association at all levels and in all professional areas.

5. Presides at meetings of the Delegate Body, the Board of Directors, and the Executive Committee.
6. Informs the Delegate Body, Board of Directors, Executive Committee, and other Association Officers on the conditions and operations of the Association.
7. Appoints committee chairs of the Association committees and task forces; outlines the purpose and duties of these committees and monitors progress, with the assistance of the Vice Presidents, who is appointed by the President.
8. Gives counsel to the legislative bodies -- Executive Committee, Board of Directors, and Delegate Body - in the review of priorities, programs, policies, objectives, goals, and organizational structures.
9. Supports and defends policies and programs adopted by the Delegate Body, Board of Directors and Executive Committee.
10. Reports the Association's condition and progress to members and leaders.
11. Nurtures coalitions with other industry organizations and professional associations with common objectives.
12. Coordinates the affiliated Institutes, Societies and Councils to eliminate overlap, achieve efficiency, and better serve Association members.
13. Oversees development of the budget for his/her elective year.
14. Recommends changes in priorities and resource allocation to the Executive Committee and Board of Directors and monitors the financial conditions of the Association.
15. Oversees the performance of the Chief Executive Officer to insure that the priorities, programs, objectives and goals of the Association are accomplished within the policies established by the Board of Directors.

**PRESIDENT-ELECT
NATIONAL ASSOCIATION OF REALTORS®**

BASIC FUNCTIONS

1. The President – elect is second to the President in leadership and as a spokesperson.
2. Develops and cultivates, on behalf of the President, productive relations with Local, State and Regional REALTOR® leaders and the affiliates of the Association.
3. Recommends to the President changes in priorities and programs and resource use.

DUTIES, RESPONSIBILITIES AND AUTHORITY

1. Fulfills the responsibilities of the President in the absence of the President.
2. Supports and defends policies and programs adopted by the Board of Directors and Executive Committee.
3. Promotes active participation in the Association on the part of the membership.
4. Confers with the State and Board leadership to develop and achieve annual goals and objectives as they relate to the long-range plans of the Association.
5. Represents the National Association at State and Board meetings and conventions as assigned.
6. Participates with the President at meetings with shelter industry groups and other coalitions, franchises, and referral organizations.

**FIRST VICE PRESIDENT
NATIONAL ASSOCIATION OF REALTORS®**

BASIC FUNCTIONS

1. The First Vice President is third to the President in leadership and as a spokesperson.
2. Develops and cultivates on behalf of the President productive relationships with the affiliates of the Association.
3. Participates most actively with the development of the Strategic Plan and provides ongoing counsel to the Strategic Thinking Advisory Committee.

DUTIES, RESPONSIBILITIES AND AUTHORITY

1. Fulfills the responsibilities of the President in the absence of the President and President-Elect.
2. Serves as chair of the Regional Vice Presidents as designated by the President.
3. Supports and defends policies and programs adopted by the Board of Directors and Executive Committee.
4. Promotes active participation in the Association on the part of the membership.
5. Represents the National Association at State and Board meetings and conventions as assigned.

TREASURER
NATIONAL ASSOCIATION OF REALTORS®

BASIC FUNCTIONS

1. The Treasurer serves as custodian of the funds and disbursing agent for the NATIONAL ASSOCIATION OF REALTORS® and its affiliated Institutes, Societies and Councils.
2. Influences the establishment of goals and objectives relating to the financial management of the Association during the term of office.
3. Acts as chief financial spokesperson. Recommends to the President changes in priorities to programs and resource used.

DUTIES, RESPONSIBILITIES AND AUTHORITY

1. Serves as chair of the Finance Committee.
2. Works with the Budget Review Process to develop the Association's objectives specifically of a financial nature.
3. Promotes active participation in the Association on the part of membership.
4. Represents the National Association at State and Board meetings and conventions as assigned.
5. Provides oversight in the financial administration of the National Association and its Institutes, Societies and Councils.
6. Treasurer shall be responsible for the deposit of funds and securities in such depositories and in such manner as the Board of Directors may designate.
7. Assists President in developing the budget during his/her year.
8. Works with the Executive Vice President in understanding and communicating the importance of the Association's human resource asset.

<p style="text-align: center;">REGIONAL VICE PRESIDENT NATIONAL ASSOCIATION OF REALTORS®</p>

BASIC FUNCTIONS

Serves as a liaison of the National Association in their respective region identifying problems or opportunities within the region and assisting wherever possible and acting as the representative of the President in such matters as may be assigned by the President.

DUTIES, RESPONSIBILITIES AND AUTHORITY

1. Makes members aware of the content and importance of the programs and policies of the National Association in their region.
2. Serve as spokesperson for the National Association within the region and as a coordinator in solving problems at the various levels.
3. Work with the State Association and Board Presidents and Executive Officers to stimulate a team effort throughout the year.
4. Attend State Association leadership conference (as a nominee), Regional Conferences (if applicable) and/or annual convention, when possible, to improve understanding, cooperation, and two-way communication.
5. Attend the annual NAR meetings and chair their regional caucus meeting to conduct regional business affairs and exchange information.
6. Serve as a voting member of the Executive Committee.

QUALIFICATIONS

1. The RVP candidate should have broad leadership experience from their Board and State Association and should have served as State President.
2. The RVP candidate must have served as a National Association Director which may include the year as a Director when serving as State President.
3. The RVP candidate must have served as a member of a National committee other than a State Forum.
4. The RVP candidate must have the endorsement of their State Association.
5. The RVP candidate should have other REALTOR®, civic and governmental activity and experience as would indicate leadership ability and potential.
6. The RVP candidate shall pledge to spend the time and effort to serve in the position to the best of their ability.

Constitutional Authority for the Office of Regional Vice President

Article VII, Section 3

- A. The Regional Vice President shall oversee the work of the National Association in their respective Regions and act as the representative of the President in such matters as may be assigned to them.
- B. In case of a vacancy in the office of any Regional Vice President, it shall be filled by appointment by the President and confirmation by the Board of Directors for the unexpired term. Such appointee shall be from the Region in which the vacancy occurs.

Credentials and Campaign Rules Committee

The Credentials and Campaign Rules Committee's composition and duties are provided for in the Constitution.

Purpose: To determine candidate eligibility for all NAR elected offices and to establish, monitor and enforce campaign and election rules, including any appeals.

Composition: 17 members as follow:

- Chair (who shall be the past president twice removed)
- The Immediate Past President
- 2 past presidents as outlined by the Kniskern Formula (formula determined by the Past Presidents' Advisory Committee)
- 13 members as appointed by the President of the Association from each Region, provided such person has not served on the Credentials and Campaign Rules Committee during the year preceding the year of appointment, and has served as either as a Regional Vice President during the preceding five years or as a Director of the Association during at least two of the preceding five years.

Procedures:

1. The President shall be advised by the Regions concerning those persons to be appointed to the Credentials and Campaign Rules Committee from the Region.
2. Each member will be advised of their appointment by a personalized letter, and upon acceptance of the appointment, must sign an acknowledgement that he/she will abide by the rules, guidelines and policies during his/her year of service, which shall include a confidentiality agreement.
3. In the event the Chair is unable to serve, his/her most recent and available predecessor shall serve.
4. The Chair, in advance of the meetings of the committee, advises its members of significant communications that come to their attention, and carries on correspondence on behalf of the committee.
5. Members of the committee are designated to represent the interest of the entire Association and are expected not to make or be bound by any personal commitments.

6. Members of the Credentials and Campaign Rules Committee must abide by the Endorsement Guidelines outlined on page 5 of this manual.
7. Members of the Leadership Team must abide by the Endorsement Guidelines outlined on page 6 of this manual during his/her term.
8. All deliberations in the committee should be held in strict confidence.
9. Preparations for the meetings of the committee is an administrative function of the Association, under supervision of the CEO.
10. Sessions of the committee, being of a confidential nature, are closed, except to delegations appearing at the pleasure of the committee.
11. A staff member shall serve as staff executive for the purpose of recording information until the committee report is approved and filed.

Campaign Endorsement Policies

CAMPAIGN ENDORSEMENT POLICY FOR CREDENTIALS AND CAMPAIGN RULES COMMITTEE MEMBER (Approved by the Board of Directors on November 14, 2011)

Membership on the Credentials and Campaign Rules Committee carries with it certain duties and obligations. The Association's Constitution prohibits members of the Credentials and Campaign Rules Committee from publicly endorsing any candidate. The prohibition means that members of the Committee:

- Can attend events but cannot introduce or speak on behalf of a candidate or participate in photo opportunities with candidates. If events are attended, an effort should be made to attend events of all candidates so that there is no appearance of favoritism.
- Cannot wear or distribute campaign paraphernalia (buttons, etc.)
- Can view information on candidates' websites but not comment. Should refrain from taking any action that could be construed as an endorsement. (i.e. "liking" a candidate's campaign facebook page.)
- Regarding social media caution should be taken to avoid any action that might be construed as endorsing or promoting a candidate.
- Cannot serve on a candidate's advisory or campaign committee once appointed to the Credentials and Campaign Rules Committee.
- Should abstain from voting on any candidate endorsement taking place in the member's home state or region once appointed to the Credentials and Campaign Rules Committee.

CAMPAIGN ENDORSEMENT POLICY FOR LEADERSHIP TEAM

(Approved by the Board of Directors on November 14, 2011)

The Association's Constitution prohibits members of the Leadership Team from publicly endorsing any candidate. The prohibition means that members of the Leadership Team:

- Can attend events but cannot introduce or speak on behalf of a candidate or participate in photo opportunities with candidates. If events are attended, an effort should be made to attend events of all candidates so that there is no appearance of favoritism.
- Cannot wear or distribute campaign paraphernalia (buttons, etc.)
- Can view information on candidates' websites but not comment. Should refrain from taking any action that could be construed as an endorsement. (i.e. "liking" a candidate's campaign facebook page.)
- Regarding social media caution should be taken to avoid any action that might be construed as endorsing or promoting a candidate.
- Cannot serve on a candidate's advisory or campaign committee once appointed to the Credentials and Campaign Rules Committee.
- Should abstain from voting on any candidate endorsement taking place in the member's home state or region.

Candidate Audit Work Group

The composition and duties of the Candidate Audit Work Group are provided for in the Constitution.

Purpose: To review candidate applications; to review the legal and financial audit reports, and the report of the criminal background investigations; and to make a determination whether a Potential Candidate is eligible to run for office.

Composition: Credentials and Campaign Rules Committee Chair, the Immediate Past President, and three regional representatives selected in a random rotation.

YEAR	REPRESENTATIVES
2015	Gary Thomas, CCRC Chair Steve Brown, Immediate Past President Region 12 Region 2 Region 4
2016	Steve Brown, CCRC Chair Chris Polychron, Immediate Past President Region 6 Region 8 Region 10
2017	Chris Polychron, CCRC Chair Tom Salomone, Immediate Past President Region 11 Region 13 Region 1

Procedure:

1. The Candidate Audit Group may hold such meetings as it deems necessary.
2. A Potential Candidate's legal audit shall be conducted by, and the criminal background reports shall be obtained by, the Legal Counsel of the National Association who shall prepare an evaluation for submission to the Candidate Audit Work Group identifying issues from those reports based upon the guidelines established by the Board of Directors.
3. A Potential Candidate's financial audit shall be conducted by, and obtained by, the outside financial auditor of the National Association who shall prepare an evaluation for submission to the Candidate Audit Work Group identifying issues from those reports based upon the guidelines established by the Board of Directors.
4. The Candidate Audit Work Group shall review the application and the evaluation of the financial audit, legal audit and criminal background check for each candidate for President-elect, First Vice President, Treasurer and Regional Vice President.
5. Issues revealed by the financial, legal and criminal background reports noted in the evaluation will first be reported to the Potential Candidate who will be given thirty (30) days to correct any inaccurate information or provide additional information for consideration by the Candidate Audit Work Group.
6. The Candidate Audit Work Group shall review the additional information provided by the Potential Candidate.
7. The Candidate Audit Work Group shall make a determination regarding the eligibility of the Potential Candidates and shall report the list of Eligible Candidates to the Credentials and Campaign Rules Committee.
8. If a Potential Candidate is deemed ineligible by the Candidate Audit Work Group, such Potential Candidate shall have the right to appeal in accordance with the established appeal process.
9. The Credentials and Campaign Rules Committee shall submit the list of Eligible Candidates to the Board of Directors by August 1 (or the first business days thereafter).

Criteria:

The Candidate Audit Work Group shall consider the following criteria in evaluating a Potential Candidate's eligibility to run for NAR office:

- 1) The existence of any of the following items will deem a Potential Candidate ineligible:
 - Personal bankruptcy filing within the last 7 years
 - Personal Foreclosures within the last 7 years
 - Credit score shall be equal to or greater than baseline currently defined by the FHA
 - Current delinquent tax filings and/or payments

- 2) Additional significant issues revealed in the legal, criminal and/or financial audit regarding a Potential Candidate will be considered by the Candidate Audit Work Group, including but not limited to the following:
 - Liens
 - Bankruptcies (personal and business)
 - Foreclosures or notice of defaults or deed in lieu of foreclosure
 - Three or more accounts with late payments (60 or more days) in the current year
 - Code of Ethics violations resulting in termination or suspension of membership
 - Delinquent child support payments
 - Late tax filings and/or payments
 - All convictions except traffic violations (unless it is driving under the influence)*
 - Regulatory investigations (personal or company) if a violation was found*
 - Pending regulatory investigations (personal or company)*
 - Pending litigation (personal or company)*
 - Judgments (personal or company)*
 - Compliance with established NAR campaign rules

*Reported convictions, regulatory investigations, pending litigation, and judgments which could reasonably represent a source of embarrassment or liability to NAR or would present a conflict with the policies of NAR which the candidate would be called upon to uphold in their capacity as an officer, as determined by the NAR General Counsel.

**KNISKERN FORMULA FOR PAST PRESIDENT REPRESENTATION
(AS AMENDED NOVEMBER 1981)**

1st Year Out of Office	Ex-Officio
2nd Year Out of Office	Chair
4th Year Out of Office	Member of Committee
6th Year Out of Office	Member of Committee
9th Year Out of Office	1 st Alternate
14th Year Out of Office	2 nd Alternate

**PAST PRESIDENT REPRESENTATION ON THE NOMINATING COMMITTEE
ACCORDING TO THE KNISKERN FORMULA FOR THE YEARS 2015 - 2018**

Year	Chair	Members	1st Alternate	2nd Alternate
2015	Thomas	Brown Phipps McMillan	Mansell	Cronk
2016	Brown	Polychron Veissi Golder	Stevens	Mendenhall
2017	Polychron	Salomone Thomas Phipps	Combs	Edwards
2018	Salomone	Brown, Bill Brown, Steve Veissi	Gaylord	Whatley