

Board Governance Webinar

Brought to you by
Justin Knoll - Immediate Past CAR Chair

...and his gang of Past President Yahooligans!



Agenda

- What is a Task Force? A Committee?
- Board Governance vs. Policy Governance
- CAR's Governance Structure
- Fiduciary Duties
- Board of Directors Meeting
- Roberts Rules of Order

THE PURPOSE OF THE GOVERNING BODY, OR BOARD OF DIRECTORS, IS TO DIRECT AND GUIDE THE ORGANIZATION IN THE RIGHT DIRECTION

~ PEARL ZHU

WISEFAMOUSQUOTES.COM

Task Force

- Established by CAR Chair to accomplish specific goals
- Disband once they have completed their assignments

CAR 100 Year History Task Force

The purpose of this task force is to assemble the history of the Colorado Association of REALTORS® and its local associations for the 2021 CAR 100th year anniversary celebration.

Chair: Linda Philpott Staff Liaison: Johna Olio

Committees

- Established by the Board of Directors and outlined in Policy Governance manual
- Create the objectives and tasks to implement the goals of the Strategic Plan
- Have no termination date unless removed by the Board of Directors or Leadership Council

Member Services Committee

Oversees all member services provided by the Colorado Association of REALTORS®. The Committee's overall goal is to provide relevant, effective and efficient services to CAR members.

Chair: Molly Eldridge Staff Liaison: Lisa Hansmeier

Board Governance

The Board is responsible for the vision and strategic plan, which was approved by the CAR President

- The **President and Committee Chairs** determined how the goals would be achieved and implemented

Directors were in the weeds...



VS.

Policy Governance

The Board provides vision and approves end -goals and strategic plan

- The Leadership Council approves objectives and forwards to the appropriate **Committee** , which determines how the goals will be achieved, and the **Staff** implements those action items

Leave it to the professional staff!



Policy Governance

- The board has one employee



- We place our trust and confidence over to the CEO who:
 - Governs internal organization (staff)
 - Provides updates on the organization's activities to the board
 - This frees the Board members to focus on the Goals of the organization

CAR'S Governance Structure



BOARD OF DIRECTORS

Vision & Strategic Plan - Communications

End Goal: The public values and uses a Realtor®.

MEMBER SERVICES COMMITTEE

The Committee determined a consumer awareness campaign to educate consumers should be multifaceted and connect with each generation (Boomers, Gen X, Millennial).

STAFF

Lisa Hansmeier and her team selected iHeart Radio to run the campaign and created the content for the three -generational commercials.

Fiduciary Duties

CARE

Be Attentive & Diligent.

OBEDIENCE

Abide by the policies and bylaws.

LOYALTY

Act in the best interest of CAR.

ACCOUNTING

Safeguard and preserve the assets.

CONFIDENTIALITY

Keep private information private!

CARE

Be Attentive & Diligent



Case Study

LOYALTY

Act in the best interest of CAR

CAR and a local board has opposing positions on a legislative proposition.

A few CAR Directors are actively speaking out against the motion the Board decided on, because it would negatively affect their local association.

Is this violating the fiduciary duty of loyalty?

OBEDIENCE

Abide by the policies and bylaws

- Follow the policies and bylaws. They are in place to protect everyone!
- Support the decisions of the association's Board of Directors
 - Even if a director voted against a motion, they must support it if it passes

CONFIDENTIALITY

Keep private information private!

Confidentiality Agreement for CAR Leadership

This Confidentiality Agreement ("Agreement") is entered into by and between the Colorado Association of REALTORS® ("CAR") and undersigned member of CAR Leadership ("Leader"), for the purpose of preventing the unauthorized disclosure of Confidential Information as defined below. The parties agree to enter into this Agreement with respect to the disclosure of certain proprietary and confidential information ("Confidential Information").

1. Definition of Confidential Information. For purposes of this Agreement, "Confidential Information" shall include all official CAR information or material that is distributed or discussed at the CAR Leadership Retreat on June 12-14, 2017 in Breckenridge, CO. Confidential Information shall include but is not limited to financial planning information, budgets, proposals, strategic planning information and any other official CAR information distributed for the purpose of consideration and strategic planning.

2. Exclusions from Confidential Information. Leader's obligations under this Agreement do not extend to information that is: (a) publicly known at the time of disclosure or subsequently becomes publicly known through no fault of Leader (b) learned by the Leader through legitimate means other than from his/her relationship with CAR.

3. Obligations of Receiving Party. Leader shall hold and maintain the Confidential Information in strictest confidence for the sole and exclusive benefit of CAR. Leader shall carefully restrict access to Confidential Information to third parties as is reasonably required. Leader shall not, without prior written approval of CAR, use for Leader's own benefit, publish, copy, or otherwise disclose to others, or permit the use by others of any Confidential Information as defined in this Agreement. Leader shall not remove from the premises of the Retreat any Confidential Information and shall return to CAR any and all records, notes, and other written, printed, or tangible materials in Leaders possession upon request by CAR or upon termination of his/her leadership relationship with CAR.

4. Term. The nondisclosure provisions of this Agreement shall survive the termination of this Agreement and/or the Leader's status with CAR. The Leader's duty to hold Confidential Information in confidence shall remain in effect until CAR provides written notice releasing Leader from this Agreement.

5. Remedies. Leader agrees that his/her obligations hereunder are necessary and reasonable in order to protect CAR's business, and expressly agrees that monetary damages would be inadequate to compensate CAR for any breach of any covenants and agreements set forth herein. Accordingly, Leader agrees and acknowledges that any such violation or threatened violation will cause irreparable injury to CAR and that, in addition to any other remedies that may be available, CAR shall be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.

6. Severability. If a court finds any provision of this Agreement invalid or unenforceable, the remainder of this Agreement shall be interpreted so as best to affect the intent of the parties.

CAR Leader

Print Name

Signature

Date

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Case Study

ACCOUNTING

Safeguard and preserve the assets

The Member Services Committee had a motion for the Board of Directors to vote on.

To engage more members, the Committee felt like communications could use a revamp.

Therefore, they asked for 2.2 billion dollars to fund Scott Peterson, CAR's General Counsel, to personally hand-deliver the quarterly eMagazine to every member in Colorado.

The Board thought it was a great idea and voted yes!

Board of Directors Meeting

Roberts Rules of Order

A guideline to meetings - Avoid chaos with procedure!



What's the procedure?!

Board Meeting Process

01

Call Meeting to Order

02

Introduce Agenda Items

03

Put Motions to Vote

04

Address other business

05

Adjourn Meeting

1. MEETING CALL TO ORDER – JUSTIN KNOLL, 2018/2019 CHAIR

- Pledge of Allegiance – Steve Mills
- Inspirational Message – Jason Witt
- Introduction of CAR Parliamentarian – Toni Parker

2. ACKNOWLEDGEMENT OF PAST PRESIDENTS AND CHAIRS – KEITH KANEMOTO, 2018/2019 APPOINTED PAST PRESIDENT

3. NAR UPDATE AND REGION XI UPDATE – LESLIE ROUDA SMITH – 2020 NAR FIRST VICE PRESIDENT

4. **APPROVAL OF CONSENT AGENDA** – JUSTIN KNOLL, 2018/2019 CHAIR

5. **PRESENTATION OF MOTIONS** – JANENE JOHNSON, 2019/2020 CHAIR

Motions offered by Leadership of the Colorado Association of REALTORS®

a. **Motion #1** – NAR Director Term Length

Rationale – Janene Johnson

b. **Motion #2** – Travel Expense Policy – Removal of CAR Staff

Rationale – Janene Johnson

6. LOCAL ASSOCIATION EXECUTIVE RECOGNITION – ANN TURNER, 2018/2019 AE REPRESENTATIVE

7. CHAIR'S REPORT – JUSTIN KNOLL, 2018/2019 CAR CHAIR

8. TREASURER'S REPORT AND BUDGET APPROVAL – LINDA LOWRY, 2018/2019 CAR TREASURER

9. CAR DIVISION REPORTS

a. **Government Affairs** – Jarrod Nixon, 2019 Government Affairs Division Chair

b. **Legal & Risk** – Chris Hardy, 2019 Legal and Risk Division Chair

c. **Member Services** – Molly Eldridge, 2019 Member Services Division Chair

10. **COLORADO ASSOCIATION OF REALTORS® FOUNDATION REPORT** – CHRIS DJORUP, CAR FOUNDATION CHAIR

11. CAR BUSINESS SERVICES REPORT – MATTHEW HINTERMEISTER

12. **COLORADO YOUNG PROFESSIONAL'S NETWORK REPORT** – SIAN MURPHY, 2019 CYPN CHAIR

13. **CHIEF EXECUTIVE OFFICER'S REPORT** – TYRONE ADAMS, CAR CEO

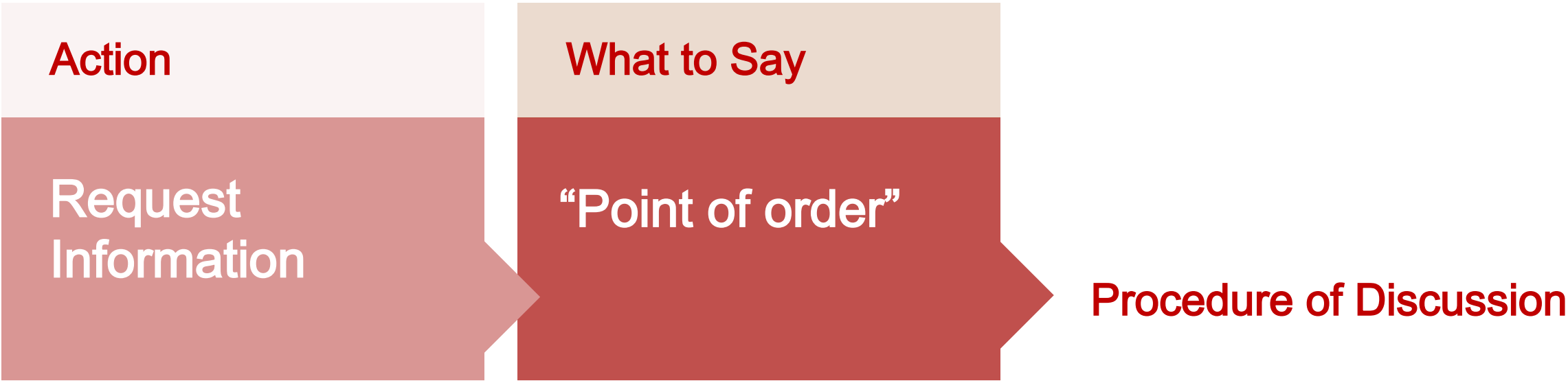
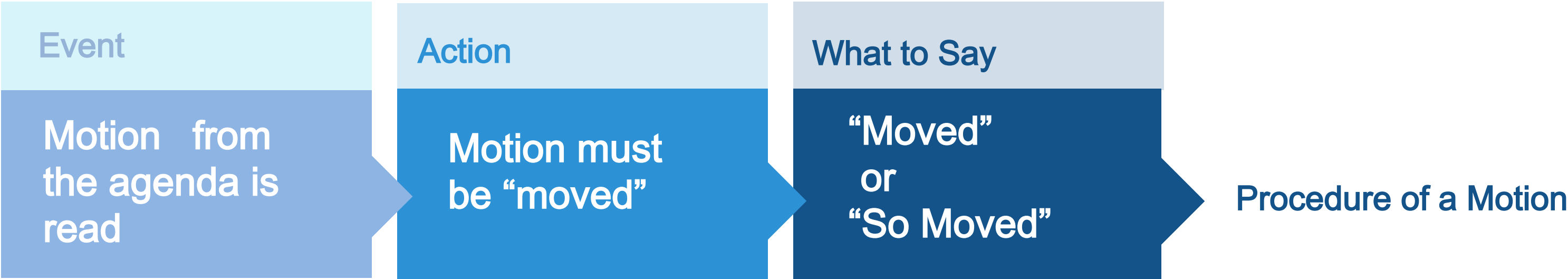
14. NEW BUSINESS AND UNFINISHED BUSINESS

15. RETURN OF VOTING FOBS

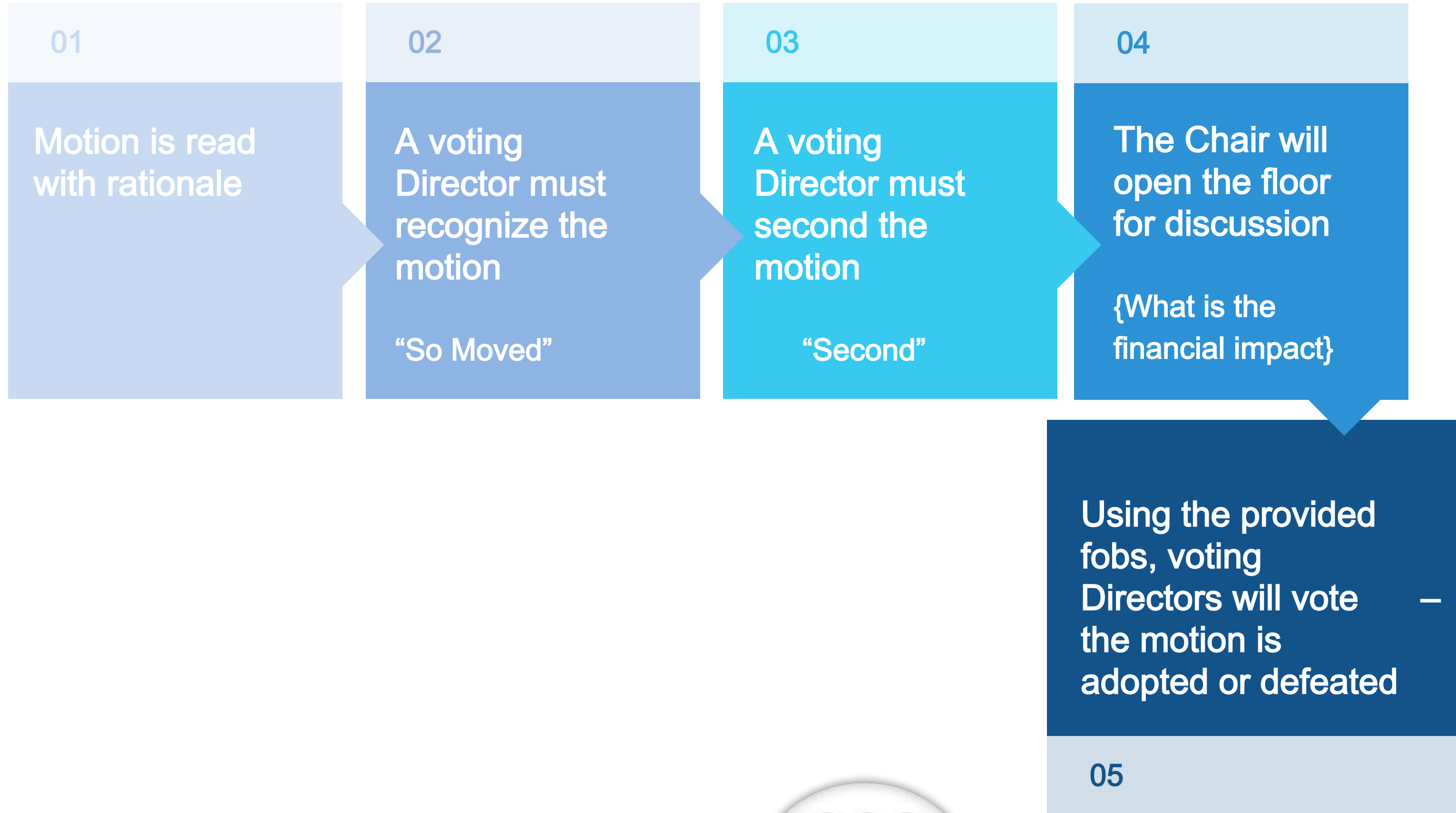
16. **ADJOURNMENT**

Roberts Rules of Order

The procedure to conducting a meeting that is orderly and fair.



Process of a Motion



Board of Directors Meeting

Main Motion

Motion #1 - Shall the Policy Governance Manual (SECTION 4.10) be revised to add a standing “Diversity and Inclusion Committee”?

Motion #1 Rationale: The Diversity and Inclusion Task Force should be made a standing Committee (starting 2020) so that it can continue, on an ongoing basis, to identify and promote initiatives and partnerships that further the goals of Diversity within the real estate industry. If a standing Diversity and Inclusion Committee is created, it shall receive a budget of \$5,000 in the 2020 CAR Budget.

Budget Impact: \$5,000



Let's
Vote!

Motion #1

Board of Directors Meeting

Motion from the Floor

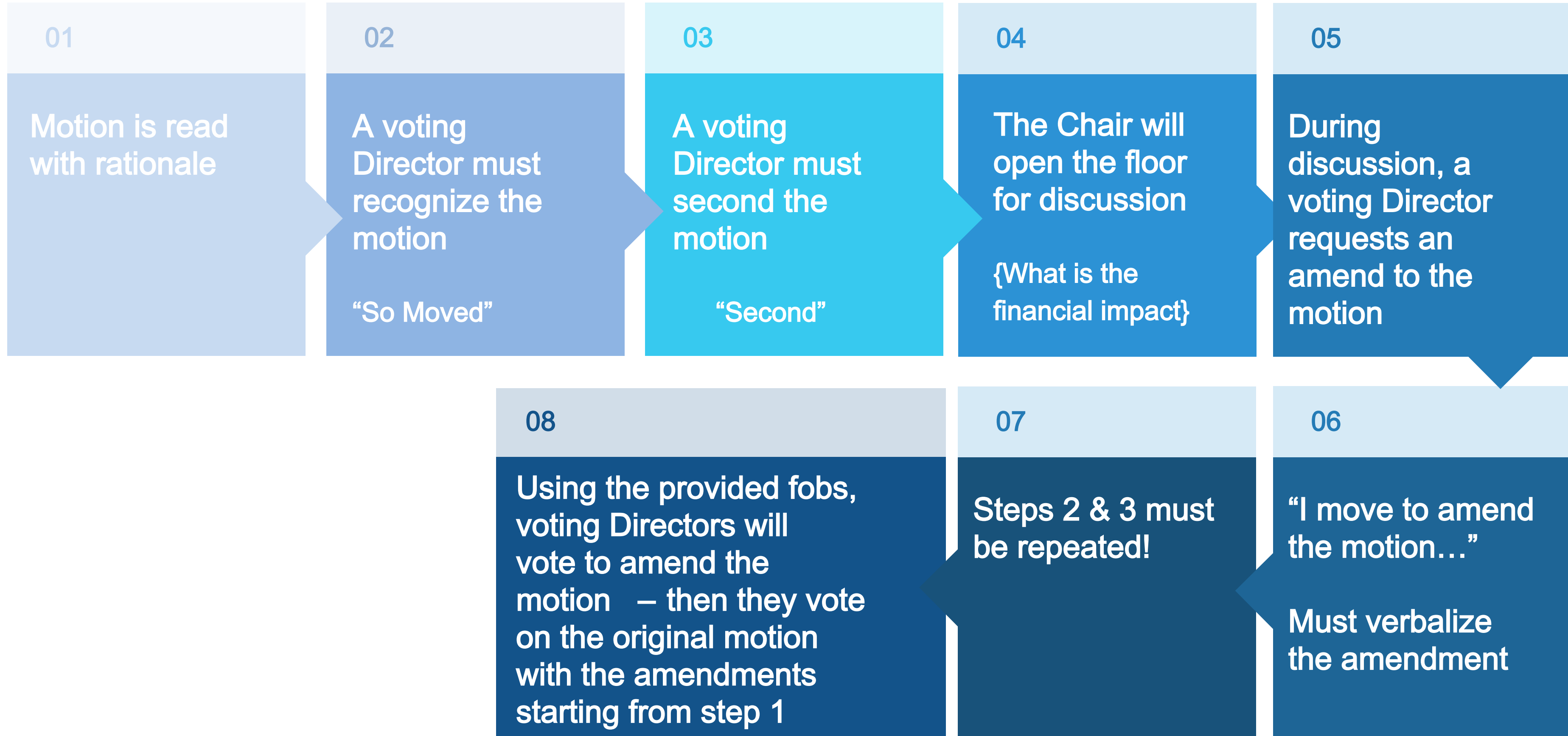
- Motions can be brought from the floor during
- These are brought forth after all the agenda motions have been processed
- The process is the same for processing a motion from the floor

Board of Directors Meeting

Motion Amendments

- During the discussion of a motion, a Director or Member can request the motion be amended.
- The amended motion will need to be voted on
{Should we amend the wording of the motion?}
- Then, the main motion is voted on.

Process of a Motion – Amendment



Board of Directors Meeting

Main Motion

Motion #2 – Shall Travel Policy be updated to provide stipend for NAR Committee & Forum Chairs to attend NAR mid-year?

Motion #2 Rationale: Individuals serving as a Committee Chair for a NAR Committee demonstrate significant commitment to the Realtor Association and promote the profile of Colorado Realtors. Those who have been appointed to serve in the capacity of Chair from a NAR Committee should be provided with an appropriate stipend to attend NAR meetings for which they are serving. Per the CAR Bylaws, individuals may only receive one stipend per meeting regardless of potentially qualifying for multiple stipends.

Budget Impact: \$11,600



Let's
Vote!

Motion #2 - Amend the Motion

Board of Directors Meeting

Main Motion - Amended

Motion #2 - Shall Travel Policy be updated to provide stipend for NAR Committee, Forum, & Advisory Board Chairs to attend NAR mid-year?

Budget Impact: Unknown



Let's
Vote!

Motion #2 - Amended

Board of Directors Meeting

Main Motion - Amended

Motion #2 - Shall Travel Policy be updated to provide stipend for NAR Committee, Forum, & Advisory Board Chairs to attend NAR mid-year?

Budget Impact: Unknown

