



# Ojai Valley Board of REALTORS® Policy & Procedure Manual

Adopted September 2025

## **TABLE OF CONTENTS**

### **Section 1. General Office Procedures**

- 1.1 Name
- 1.2 Smoking Policy
- 1.3 Antitrust Compliance
- 1.4 Whistleblower Policy
- 1.5 Association Hours of Operation
- 1.6 Association Letterhead
- 1.7 Contract Renewals & Extensions
- 1.8 External Relations
- 1.9 Petty Cash Policy
- 1.10 Dues Collection Policy
- 1.11 Dues Refund Policy
- 1.12 Email Address Policy
- 1.13 OVBR Financial Policies and Procedures
- 1.14 Bylaws
- 1.15 Committee Meeting Attendance
- 1.16 Software License (Anti-privacy)
- 1.17 Document Shredding
- 1.18 Records Retention Policy
- 1.19 Errors and Omissions Insurance
- 1.20 Forms/Retired Forms
- 1.21 Member Examination of Records
- 1.22 Minutes of Board and Committees
- 1.23 Use of Premises
- 1.24 Privacy and Security Policy
- 1.25 Cyber Security Policy

### **Section 2. Employee Procedures**

- 2.1 Licensing Restrictions for OVBR Staff
- 2.2 Harassment Policy Statement
- 2.3 Complaint Procedure
- 2.4 Complaint Investigation and Confidentiality
- 2.5 Discipline
- 2.6 Follow-up
- 2.7 Voluntary Office Romances
- 2.8 Email and Internet Policy
- 2.9 Taking Work Home
- 2.10 Evaluations
- 2.11 Performance Review

### **Section 3. Board of Directors**

- 3.1 Association Documents
- 3.2 Board of Directors Publication of Agenda
- 3.3 Board of Directors Recorded Minutes
- 3.4 Board of Directors Leadership Guide
- 3.5 Legal Counsel
- 3.6 Product and Service Endorsement Policy
- 3.7 Policy Guidelines for New Member Orientation
- 3.8 Board of Directors Examination of Records
- 3.9 Executive Session

### **Section 4. General Accounting Procedures**

- 4.1 Financial and General Accounting Procedures
- 4.2 Expense General Policy
- 4.3 Investment Policy
- 4.4 Check Signing Policy
- 4.5 Check Disbursements
- 4.6 Non-Sufficient Check Policy
- 4.7 Credit Card/Debit Card Usage
- 4.8 Budget
- 4.9 Budget and Adoption Schedule
- 4.10 Expenditures
- 4.11 Bank Reconciliations
- 4.12 Bartering Prohibited
- 4.13 Check Preparation and Mailing
- 4.14 Control Over Checks and Cash
- 4.15 Credit Cards/Debit Cards
- 4.16 Financial Statement Preparation and Distribution
- 4.17 IRS 1099 Forms
- 4.18 Segregation of Duties
- 4.19 Travel Policy

## **Section 1 - GENERAL OFFICE PROCEDURES**

### **1.1 Name**

The name of this organization shall be the Ojai Valley Board of REALTORS®, Incorporated (hereinafter referred to as the "OVBR" The term "Association/Board" is used when referring to the Ojai Valley Board of REALTORS®).

### **1.2 SMOKING POLICY**

There is a non-smoking policy at all OVBR business meetings and within all OVBR facilities.

### **1.3 ANTITRUST COMPLIANCE**

The National Association of REALTORS® (NAR) provides master Errors & Omissions (E&O) insurance coverage for all member Associations, provided that each Association remains in compliance with NAR's policies and procedures. A key element of this compliance is adherence to guidelines that minimize or eliminate the risk of inadvertent antitrust violations.

The OVBR will strictly follow the procedures outlined below, consistent with NAR's *Antitrust Compliance Program for Board Leadership*.

#### **1. Conduct of Meetings**

- a. Association business may only be conducted at properly convened meetings in accordance with Article XI of the OVBR Bylaws.
- b. All meetings, including subcommittees, task forces, or working groups, must have a written agenda in advance. Sensitive topics will be reviewed by legal counsel prior to discussion.
- c. A staff member or legal counsel will attend all Board of Directors and committee meetings. Subcommittees meeting without staff support must submit agendas and brief written reports for the official record.
- d. If prohibited topics (such as commission rates or boycotts) are raised, the staff member or chair must immediately stop the discussion and rule it out of order. The minutes will reflect the chair's ruling.
- e. Minutes of all Board and committee meetings will be kept accurately and concisely, summarizing all actions taken.
- f. The Association Executive (AE) or designated staff member will be present at all Professional Standards and arbitration hearings. OVBR's legal counsel will review any panel decisions that involve novel, unique, or controversial issues to ensure compliance with rules and regulations.

#### **2. Maintenance of Association Records**

- a. OVBR will maintain a document retention and destruction policy to ensure records are not retained longer than necessary.
- b. Official documentation will consist only of records maintained in accordance with this policy.

- c. All correspondence with legal counsel will be kept in a separate file and treated as confidential under attorney-client privilege. Such documents will not be distributed without prior approval of counsel.

### **3. Relationship with Association Counsel**

- a. OVBR will maintain access to competent legal advice, particularly regarding antitrust issues.
- b. Legal counsel will receive a complete set of governing documents for OVBR and MLS, as well as all policy and procedure manuals.
- c. OVBR will provide C.A.R. and NAR with the name of its legal counsel to ensure inclusion in official communications.
- d. When possible, OVBR will send its counsel to legal panel seminars sponsored by C.A.R. and NAR.
- e. OVBR will request legal counsel to:
  - a. Review amendments to OVBR and MLS governing documents.
  - b. Consult on sensitive membership or professional standards matters.
  - c. Attend and prepare minutes when legally sensitive matters are discussed.

### **4. Response to State or Federal Antitrust Investigations**

- a. All requests for access to Association files will be referred to the Association Executive.
- b. The AE will verify the identity of anyone requesting to review Association records or operations.
- c. Requests from government investigators will be referred immediately to the Association's attorney, and C.A.R. and NAR will be notified. All communications with government agencies will be handled exclusively through Association counsel.
- d. No documents will be released and no interviews will be conducted without the approval and presence of Association counsel.

### **5. Conduct of Grievance and Arbitration Proceedings**

- a. Grievance or arbitration proceedings are the only setting in which the business practices of an individual broker may be discussed under OVBR authority.
- b. Legal counsel will be present when matters involve particularly complex or sensitive issues.
- c. All complaints must be in writing. Hearings will be audio recorded, and recordings maintained per the document retention policy. Recordings will be destroyed after the appeal period expires, any fine or award is paid, and disciplinary actions are complete.
- d. OVBR will seek declaratory judgments from a court of competent jurisdiction before imposing suspension or expulsion resulting from a professional standards hearing.

### **6. Grievance and Arbitration Appeals**

- a. The President will determine, case by case, whether appeals are heard by the full Board of Directors or by a five-member panel.
- b. OVBR will comply with all applicable laws regarding antitrust. Legal counsel will be consulted when developing or amending bylaws or policies, including but not

limited to:

- a. Membership requirements
- b. Expulsion of members
- c. Services provided to members vs. nonmembers
- d. Nonmember attendance at meetings
- e. Selection of exhibitors

OVBR is committed to strict compliance with federal and state antitrust laws. These procedures are designed to protect the Association, its members, and leadership by ensuring transparency, accountability, and adherence to NAR's compliance program.

#### 1.4 WHISTLEBLOWER POLICY

A whistleblower is defined as any employee, officer, director, or committee chair of OVBR who, in good faith, reports information they reasonably believe indicates a violation of state or federal law to one or more of the parties outlined in this policy. Employees who have such information should first report their concerns to the Association Executive (AE). If the AE is implicated, the report should be directed to the Association's legal counsel. Directors, officers, and committee chairs should submit their concerns in writing directly to the Association's legal counsel. In addition, employees, officers, or directors may report concerns directly to the appropriate law enforcement or government agency if necessary. All reports must be made with sound judgment and in good faith. Submitting baseless or intentionally false allegations is prohibited and may result in disciplinary action, up to and including termination of employment or removal from a volunteer position. OVBR will make every effort to maintain the confidentiality of the whistleblower to the extent possible. However, disclosure of identity may be necessary to ensure a complete and fair investigation, to comply with the law, or to allow the accused individual to exercise their right to a defense. The Association strictly prohibits retaliation against any whistleblower or employee who refuses to participate in activities that would result in a violation of state or federal law. Retaliation includes, but is not limited to, termination, demotion, loss of compensation, adverse work assignments, harassment, or threats of harm. Any employee who believes they are experiencing retaliation must immediately report the situation to the AE or, if the AE is the alleged offender, to the Association's legal counsel. Protection under this policy does not extend to individuals who themselves engaged in wrongdoing that is being investigated, nor does it permit disclosures that violate attorney-client privilege.

#### 1.5 ASSOCIATION HOURS OF OPERATION

The Board office hours shall be 9:00 a.m. through 5:00 p.m., Monday - Friday and closed on National Holidays. Keys to the Board office shall be held by the Association Executive, the President, and any Director granted express permission by the Board of Directors. If access to the Board office is required when the office is closed, the individual must first contact the Association Executive, followed by any additional key holders. While accessing the office during closed hours, the key holder must remain with the individual at all times.

#### 1.6 ASSOCIATION LETTERHEAD

No member of OVBR shall have direct access to blank Association letterhead. Any official correspondence requiring OVBR letterhead must be prepared and issued by staff with the

approval of the Association Executive (AE). This policy is intended to prevent unauthorized use of Association letterhead and to ensure that no member issues statements on behalf of OVBR without the express authorization of the Board of Directors or the AE.

### 1.7 CONTRACT RENEWALS & EXTENSIONS

The Association Executive (AE) is responsible for negotiating all extensions and renewals of service contracts with vendors and will report these actions to the Board of Directors. Following Board approval, either the President or the AE is authorized to sign contracts or renewals on behalf of the Association.

### 1.8 EXTERNAL RELATIONS

#### **Spokesperson**

The official spokesperson for OVBR is the President. In the President's absence, this responsibility will be assumed by the President-Elect, and, if necessary, by the Association Executive (AE). All press releases and external media communications must be reviewed and approved by the AE prior to release. To ensure consistency and accuracy in communication, all staff and members of the Board of Directors will be informed of press releases and other media contacts once they have been issued.

#### **Advertising and Public Awareness**

OVBR will use resources provided by NAR, along with internally developed publications, to promote REALTOR® initiatives in the Ojai Valley. This includes submitting informational articles to local publications, issuing press releases to highlight Association activities and member achievements, and placing paid advertisements. In addition, paid advertising that promotes REALTORS® may be utilized at major community events in the Ojai Valley, subject to annual budget approval..

#### **Endorsements, Recommendations & Information**

OVBR does not provide recommendations regarding the character, moral conduct, or financial standing of members or firms. In situations where a letter of recommendation is necessary, it must be limited to an honest and accurate assessment of the individual's qualifications and skills, based solely on direct knowledge and relevant experience. OVBR will not release information related to complaints filed against members. In response to membership inquiries, the Association will only confirm an individual's current membership status by issuing a formal Letter of Good Standing.

### 1.9 PETTY CASH POLICY

The petty cash fund will be maintained at a starting balance of \$200. It may be used for minor office needs or meeting-related expenses. When the balance falls below \$100, a check request will be submitted to restore the fund to its starting balance. All receipts must be uploaded and tracked in QuickBooks. The AE is responsible for verifying receipts and reconciling the petty cash fund at the end of each month.

### 1.10 DUE COLLECTION POLICY

It shall be the policy of OVBR to collect dues in the following manner:

- a. The amount of dues shall be established by the Board of Directors as part of the annual budget process and approved no later than September 30 of each year.
- b. A dues billing statement for OVBR, C.A.R., and N.A.R. shall be sent to each individual member's email address, or to the Broker of Record's email address, on or before December 1.
- c. On or before January 30, a second notice shall be sent to any member with outstanding financial obligations. This notice will be accompanied by a letter informing the member of a \$50.00 late fee for all payments received after January 31.
- d. On or before February 1, a third notice shall be sent to any member with outstanding financial obligations. This notice will be accompanied by a letter informing the member of an additional \$50.00 late fee imposed by C.A.R. for payments received after February 28.
- e. On or before March 1, a fourth and final notice shall be sent to any member with outstanding financial obligations. This notice will be accompanied by a letter informing the member that if payment is not received by March 30, their membership will be suspended.

#### 1.11 DUES REFUND POLICY

Refunds of dues will be granted to any member who notifies the Association on or before December 31 that they will not be practicing real estate in a REALTOR® office, submits the required paperwork to remove them from that office, and has paid the invoice for the upcoming year in the previous year. Except for this circumstance, dues are nonrefundable.

#### 1.12 EMAIL ADDRESS POLICY

Email addresses, like all other member information, are considered confidential. They may only be shared or made public with the written consent of the member or individual to whom the email address belongs.

#### 1.13 OVBR FINANCIAL POLICIES AND PROCEDURES

The organization recognizes that the policies contained in this manual may require periodic updates due to changes in accounting practices, taxation, or the overall business environment of the Association. The procedure for amending, deleting, or adding policies is as follows:

- a. Staff members are encouraged to submit suggested policy amendments, deletions, or additions in writing to the Association Executive (AE).
- b. The AE is responsible for forwarding all suggested policy changes to the Board of Directors (BOD) and for scheduling a discussion of the proposed changes on the agenda of the next BOD meeting.
- c. The BOD will review all proposed policy changes and will have the authority to approve, amend, or deny each request. Decisions made by the BOD are final and not subject to protest.



- d. All Board-approved policy additions, amendments, or deletions will be provided to the AE, who is responsible for ensuring that all policy manuals are kept up to date and current.

#### 1.14 BYLAWS

It is the policy of the organization to provide the current organization bylaws to any member upon request.

#### 1.15 COMMITTEE MEETING ATTENDANCE

It is the policy of the organization to allow all current members of the organization to attend all committee meetings except for Grievance and Professional Standards Committee meetings.

#### 1.16 SOFTWARE LICENSES (ANTI-PRIVACY)

It is the policy of the organization to adhere to the license requirements for all software purchases.

#### 1.17 DOCUMENT SHREDDING

It is the policy of the organization, after the appropriate time period has expired, to shred sensitive documents to ensure confidentiality. Sensitive documents include but are not limited to the following:

- a. Personnel records
- b. Litigation records
- c. Bank Statements
- d. Budgets
- e. Canceled checks
- f. Payroll journals and records
- g. Contracts
- h. Accident reports
- i. Insurance claims
- j. Employment applications
- k. Garnishment records

#### 1.18 RECORD RETENTION POLICY

##### **Permanent Records:**

- a. Annual reports
- b. Articles of incorporation
- c. Auditors' reports/work papers
- d. Chart of accounts
- e. Checks (canceled for important payments such as taxes, property purchases, special contracts – filed with underlying transaction documents)
- f. Contracts and leases still in effect
- g. Copyright, patent, and trademark registrations
- h. Correspondence (legal or important matters)
- i. Deeds, mortgages, and bills of sale

- j. Depreciation schedules
- k. Financial statements
- l. General journal or ledger
- m. Income tax returns and canceled checks (federal, state, local)
- n. Insurance policies (current), accident reports, claims
- o. Inventory lists
- p. Minutes (board and committees with board authority)
- q. Property records (costs, depreciation, end-of-year trial balances, blueprints, plans)
- r. Publications
- s. Rosters
- t. Termination records

**30 Years:**

- a. Medical records

**20 Years:**

- a. Purchases (title abstracts, opinions, insurance policies, sales agreements, mortgages, deeds)

**10 Years:**

- a. Accident reports and claims (settled cases)
- b. Claims and litigation files
- c. Contracts (general)
- d. Leases
- e. Sales and use tax returns

**7 Years:**

- a. Accounts receivable and payable
- b. Bank statements/reconciliations
- c. Checks (canceled, general)
- d. Contracts (government)
- e. Contracts (sales)
- f. Electronic payment records
- g. Employee expense reports
- h. Fixed asset acquisition invoices
- i. Sales records
- j. Investments (after disposal)

**6 Years:**

- a. Employee payroll records (W-2, W-4, annual earnings)  
Government reports

**5 Years:**

- a. Minutes (committees without board authority)

- b. Occupational inquiry and illness records

**4 Years:**

- a. Bank deposit slips
- b. Deposit slips
- c. Correspondence (general)
- d. Payroll records and summaries
- e. Payroll tax returns
- f. Timecards/sheets
- g. Insurance policies (expired)

**3 Years:**

- a. Authorizations and appropriations for expenditures
- b. FMLA leave records
- c. Garnishment/Wage assignments
- d. Invoices
- e. Membership records
- f. Patents, copyrights, licenses, agreements, bills of sale, permits, liabilities, etc. (or life of document, whichever is greater)
- g. Petty cash vouchers

**2 Years:**

- a. Continuing education documents
- b. Manuscripts

**1 Year:**

- a. Employment applications
- b. Immigration (I-9) (duration of employment + 1 year)

**1.19 ERRORS & OMISSIONS INSURANCE**

It is the policy of the organization to maintain an errors and omissions insurance policy to protect the organization in the event of unforeseen circumstances.

**1.20 FORMS/RETIRED FORMS**

It is the policy of the organization to maintain all official Association forms in electronic storage. All forms will be reviewed regularly and updated as necessary to ensure accuracy and relevance.

**1.21 MEMBER EXAMINATION OF RECORDS**

It is the policy of the organization to provide members access to Association records in compliance with applicable federal and state laws. Requests for access must be submitted in writing and will be fulfilled within a reasonable timeframe, not to exceed 30 days. Members will be responsible for the actual costs of photocopying and postage, based on the Association's current expenses at the time of the request.

### 1.22 MINUTES OF BOARD & COMMITTEES

It is the policy of the organization that all current members are entitled to request copies of Board of Directors or committee meeting minutes. Members in good standing may contact the Association Executive (AE) to request minutes from any board meeting, and the requested minutes will be provided within 10 days of the request.

### 1.23 USE OF PREMISES

It is the policy of the organization to allow members to request the use of the conference room for business purposes as long as it is not being used by association staff or committees and at the AE's discretion.

### 1.24 PRIVACY AND SECURITY POLICY

The OVBR recognizes the importance of protecting the personal information you provide through the M1 website. This privacy policy explains how your information is collected, used, and protected.

#### **Information We Collect**

We collect the personal information necessary to process transactions, fulfill requests, and maintain accurate membership records. This information may include your date of birth, contact information, office information, and other data provided through your C.A.R. application.

#### **Use of Information**

We use this information to communicate with members about upcoming events, products, services, Calls to Action, and other email communications relevant to your membership.

#### **Email Policy**

OVBR does not sell, distribute, or provide email addresses to any third party without the written consent of the member or individual. Other personal information is not shared, sold, or provided to third parties. Access to members' contact information is limited to OVBR or Ojai Valley MLS members.

#### **Credit Information**

Credit information provided for payments via credit card or electronic check through the REALTOR® Electronic Commerce Network (E-Commerce Network) or Intuit (QuickBooks) is used solely to process the requested transaction. This information may be maintained by reputable credit reporting databases but will never be sold, shared, or provided to other third parties.

#### **Security**

We maintain security procedures and standards designed to protect your information to the fullest extent possible with current technology.

## **Opt-Out Policy**

OVBR follows a strict opt-out policy for online notifications regarding services, products, and programs. Members may contact the Association Executive (AE) to opt out of communications.

## **Access and Updates**

Members may update their personal contact information directly in the M1 system or by contacting the AE. To access your information, visit [nar.realtor](http://nar.realtor) and use your M1 identification number to update your profile.

## **1.25 CYBER SECURITY POLICY**

### **Scope**

This policy applies to all employees, contractors, volunteers, and anyone with permanent or temporary access to the organization's systems and hardware. It covers all digital assets, including hardware, software, networks, and data stored or transmitted in any form.

### **Confidential Data**

Confidential data is information that, if accessed, disclosed, modified, lost, or deleted without authorization, could cause serious harm to the organization, its employees, affiliates, or members. Confidential data includes, but is not limited to:

- a. Unpublished financial information
- b. Member, partner, and vendor data
- c. Personnel files and member records
- d. Credit card numbers

All employees are responsible for maintaining data security.

### **Device Protection**

Employees using personal or association-issued devices to access organizational accounts must protect them by:

- a. Keeping devices password-protected
- b. Using antivirus software provided by technical support
- c. Avoiding leaving devices unattended
- d. Installing system and browser security updates promptly
- e. Accessing association accounts only through secure and private networks

Employees should not access internal systems from others' devices or lend their own devices to others.

### **Email Security**

To protect against scams, malware, or phishing attacks, employees should:

- a. Avoid opening attachments or clicking links from unknown or unclear sources
- b. Be cautious of clickbait or suspicious titles (e.g., "You won a prize!")
- c. Verify sender addresses and legitimacy
- d. Watch for inconsistencies, such as grammar errors, unusual capitalization, or excessive punctuation

If uncertain about an email's safety, employees should consult the Association Executive (AE).

## **Password Management**

Secure password practices are required to protect the organization's systems:

- a. Use passwords of at least eight characters, including upper- and lowercase letters, numbers, and symbols; longer passwords (12+ characters) are recommended
- b. Avoid easily guessed information (e.g., birthdays)
- c. Keep passwords confidential; if written down, store securely and destroy when no longer needed
- d. Change passwords every 3–6 months
- e. Employees may use password management tools, ensuring the master password follows these security standards. A master record of employee passwords will be maintained by the AE.

## **Data Transfer**

Employees must transfer data securely by:

- a. Avoiding unnecessary transfer of sensitive data to external devices or accounts
- b. Sharing confidential data only over association systems or secure networks, never public Wi-Fi
- c. Ensuring recipients are authorized and follow proper security protocols
- d. Reporting any scams, privacy breaches, or hacking attempts

## **Additional Security Measures**

To reduce the risk of breaches, employees must:

- a. Report stolen or damaged equipment immediately to the AE
- b. Change all account passwords if a device is lost or stolen
- c. Report perceived security threats or weaknesses
- d. Avoid downloading unauthorized, suspicious, or illegal software
- e. Avoid accessing unsafe or suspicious websites

The AE is responsible for:

- a. Installing firewalls, anti-malware software, and access authentication systems
- b. Regularly informing employees about new threats or scams
- c. Thoroughly investigating any security breaches

## **Remote Work**

Employees working remotely must adhere to all aspects of this policy, including data encryption, protection standards, and securing their private networks.

## **SECTION 2- EMPLOYEE PROCEDURES**

### **2.1 LICENSING RESTRICTIONS FOR OVBR STAFF**

The Association Executive and all OVBR staff shall not hold an active license in any real estate-related field, including, but not limited to, real estate salesperson, real estate broker, mortgage broker, or appraiser. Violation of this policy shall be grounds for removal. The OVBR Board of Directors shall have the authority to determine what constitutes an active license in a real estate-related field.

## 2.2 HARASSMENT POLICY STATEMENT

Sexual harassment is illegal and strictly prohibited by the OVBR. All employees are responsible for ensuring they do not engage in sexual harassment or any behavior that could reasonably be perceived as sexual harassment.

Sexual harassment includes, but is not limited to:

- a. Unwelcome sexual advances
- b. Unwelcome requests for sexual favors or acts
- c. Any other verbal, written, or physical conduct that unreasonably interferes with an individual's work performance or creates an intimidating, hostile, or offensive work environment
- d. Unwelcome sexual advances.
- e. Unwelcome requests for sexual acts or favors.
- f. Other verbal or physical conduct that has the purpose or effect of unreasonably interfering with an individual's work performance by creating an intimidating hostile or offensive working environment.

## 2.3 COMPLAINT PROCEDURE

Any employee who believes he/she has suffered sexual harassment by any other employee or Any concern or complaint of harassment by a member, guest, or visitor of the Association should be reported to one of the following individuals:

- a. The Association Executive
- b. The Association's attorney

The complaint does not need to be submitted in writing. However, it is helpful to provide details such as dates, times, locations, and any witnesses, if available.

## 2.4 COMPLAINT INVESTIGATION AND CONFIDENTIALITY

All complaints will be investigated promptly by a team consisting of a professional staff member and the Association's legal counsel. The identities of both the complainant and the individual accused of sexual harassment will be kept strictly confidential. Information about the complaint or the investigation will only be shared with those directly involved, including the parties, witnesses, members of the investigatory team, and the Association Executive. Witnesses will be provided only the information necessary to gather their observations and relevant input. Both the complainant and the accused will have a full opportunity to present their accounts, and any witnesses identified by either party will also be interviewed. Upon completion, the investigatory team will prepare a written report of findings and recommendations for the Association Executive. The Association Executive holds the authority to make the final determination on the resolution of the complaint and any appropriate sanctions.

## 2.5 DISCIPLINE

Sexual harassment is a serious violation of Association policy. Any employee found to have engaged in such conduct is subject to disciplinary action, up to and including termination. It is strictly prohibited for any supervisor or employee to retaliate against an individual who files a sexual harassment complaint. The Association will take all reasonable steps to prevent

retaliation resulting from the filing of a complaint. If a complaint is determined to be completely without merit, appropriate disciplinary action may be taken against the individual who submitted the complaint. This policy is not intended to discourage employees who believe they have been subjected to sexual harassment from reporting their concerns, but the Association recognizes that false or baseless accusations can cause significant harm to the reputation and professional standing of the accused.

## 2.6 FOLLOW-UP

In cases where sexual harassment is confirmed, a member of the investigatory team will maintain communication with the victim to ensure the harassment has stopped and to monitor for any potential retaliation.

## 2.7 VOLUNTARY OFFICE ROMANCES

It is not against Association policy for employees to date one another, except in situations where one employee reports, directly or indirectly, to the other. In such cases, dating between the employees is strictly prohibited.

## 2.8 EMAIL AND INTERNET POLICY

The use of the Association's email and internet systems is a privilege, not a right. All emails and data transmitted through these systems are considered property of the Association, and users should have no expectation of privacy. Misuse may result in potential liability for transmitting offensive or inappropriate materials.

### **Authorized Use**

- a. Systems are for business purposes only and for authorized users.
- b. Users may not use another person's login credentials or passwords.
- c. Personal use for commercial, illegal, or gambling activities is prohibited.
- d. Confidential information must not be transmitted.
- e. The systems may not be used to support religious, political, or advocacy activities.

### **Prohibited Content**

- a. Transmission of material that is offensive, obscene, vulgar, threatening, or discriminatory based on race, sexual orientation, gender, age, national origin, disability, or any other protected class.
- b. Sending or receiving copyrighted or proprietary materials without proper authorization.
- c. Downloading or transmitting material that violates Association standards or applicable law.

### **Monitoring and Reporting**

- a. The Association reserves the right to access all email and internet communications at any time without user permission.
- b. Users who become aware of any policy violations must report them to the Association Executive.

### **Other Restrictions**



- a. Game playing on Association systems is prohibited.
- b. Violations of this policy may result in disciplinary action, up to and including termination.

## 2.9 TAKING WORK HOME

It is the policy of the Association to permit employees to work from home at the discretion of the Association Executive. Any documents or files taken from the office remain confidential and must be returned immediately upon the employee's return to the office.

## 2.10 EVALUATIONS

It is the policy of the organization to provide employees and the Association Executive with annual evaluations.

## 2.11 PERFORMANCE REVIEW

Performance reviews of the Association Executive (AE) will be conducted annually in September by the current President, Immediate Past President, and President-Elect. Additionally, the current President will conduct a mid-year check-in with the AE to provide feedback and ensure goals are being met.

# **SECTION 3 - BOARD OF DIRECTORS**

## 3.1 ASSOCIATION DOCUMENTS

The Association's rules, regulations, and policy manual will be distributed to all members of the Board of Directors and committee chairpersons at the beginning of each year. Copies of the bylaws are available to members upon request and can also be accessed online at <https://ojaivalleyrealtors.com>.

## 3.2 BOARD OF DIRECTORS MEETING AGENDA

All members of the Board of Directors will receive the agenda via email, once it has been approved by the President, in advance of each meeting. Board of Director meetings are held on the third Wednesday of every month at 9:00 AM. Directors are expected to review the agenda and action items beforehand and come prepared to engage in discussion.

## 3.3 BOARD OF DIRECTORS RECORDED MINUTES

Any motion voted upon by the Board of Directors of the OVBR or any committee thereof become the action for the entire group of Directors or committee members. To that end, the minutes of the BOD meeting shall not include the names of those persons presenting or seconding the motion.

## 3.4 BOARD OF DIRECTORS LEADERSHIP GUIDE

All members of the Board of Directors are required to adhere to the *Board of Directors Leadership Guide*, which is provided by the Association Executive at the start of each year. The Leadership Guide outlines the responsibilities, expectations, and standards of conduct for Directors in carrying out their duties. Any breach of the rules or guidelines contained within the Leadership Guide may be considered grounds for removal from the Board of Directors or may

result in other disciplinary action, as determined appropriate following a hearing of the Board of Directors.

### 3.5 LEGAL COUNSEL

To ensure the effective and proper use of the Association's Legal Counsel, the following policies are established:

- a. The Association Executive (AE) and the current OVBR President, or a President-appointed designee, are authorized to contact the Association's Legal Counsel directly regarding Association business.
- b. The Board of Directors may, by appropriate action, request the presence of Legal Counsel at any Board meeting. The AE shall coordinate with Legal Counsel to ensure their attendance at the designated meeting.
- c. The AE, in consultation with the President, will review the Board meeting agenda to determine whether Legal Counsel's presence is necessary. Legal Counsel will be notified in advance if their attendance is required.
- d. All requests for legal opinions made during Board meetings will be compiled by the AE and submitted to Legal Counsel. The AE will then disseminate any information or guidance provided by Legal Counsel as directed by the Association.
- e. All telephone communications with Legal Counsel will be handled by the AE, except as noted above for the President or designee.

Any member who bypasses this policy and contacts Legal Counsel directly, without authorization, will be responsible for any fees charged to the Association as a result of that contact.

### 3.6 PRODUCT AND SERVICE ENDORSEMENT POLICY

The Association may endorse products and/or services offered by external firms in accordance with the following policies and procedures, subject to review and approval by the Board of Directors. The Association Executive (AE) will develop recommendations regarding potential endorsements for consideration by the Board.

- a. Member Benefit: Products or services considered for endorsement must provide a direct benefit to the membership, such as discounted prices or services not generally available from other sources.
- b. Non-Dues Revenue: While potential revenue for the Association may be considered when evaluating an endorsement, it is not a requirement if the product or service otherwise benefits the membership.
- c. Competitive Bidding: Competitive bids should be sought whenever possible, at the discretion of the Board of Directors.
- d. Insurance Compliance: Endorsements must not jeopardize the Association's Errors & Omissions insurance coverage provided through N.A.R.
- e. Evaluation Process: In assessing a potential endorsement, the AE shall gather the following information:
  - i. A description of the product or service

- ii. Other organizations that have provided endorsements
- iii. Feedback from REALTORS currently using the product or service
- iiii. Potential revenue for the Association and the basis for its calculation

All final endorsement decisions will be made by the Board of Directors based on the AE's recommendations and the information gathered during the evaluation process.

### 3.7 POLICY GUIDELINES FOR NEW MEMBER ORIENTATION

In accordance with N.A.R.'s membership requirements, orientation courses will be held at least once every six months. However, the OVBR may offer additional orientation sessions as needed based on membership demand. The course fee is included in membership dues.

The orientation course shall include:

- a. The N.A.R. New Member Ethics course
- b. Fairhaven 2.0 Fair Housing training
- c. Instructions on how the Association is governed

The Association reserves the right to administer an examination following the course. Recording or taping of any kind during the orientation is strictly prohibited.

#### **Orientation Waiver Criteria**

A new member may be waived from attending the orientation if any of the following apply:

- a. The member was previously affiliated with another board and completed an orientation course within the last three years that included the N.A.R. Code of Ethics.
- b. The member is a Broker who has been in charge of an office for more than five years.
- c. The member has served as a past officer with another board within the last five years.

### 3.8 BOARD OF DIRECTORS EXAMINATION OF RECORDS

Except as otherwise provided, it is the policy of the organization to allow current members of the Board of Directors access to all Association records upon request. However, the Board of Directors shall not have general access to employee files unless it determines that such access is relevant and necessary to the Association's business. In the event the Association Executive (AE) is terminated or the position is vacant, the Board of Directors shall designate no more than three Board members to have full and immediate access to all Association records, including employee files.

### 3.9 EXECUTIVE SESSIONS

It is the policy of the organization to allow the Board of Directors to go into executive session only to discuss personnel issues or current or pending litigation. Any discussions or information disseminated during any executive session shall be confidential.

## **SECTION 4- GENERAL ACCOUNTING PROCEDURES**

### 4.1 FINANCIAL AND GENERAL ACCOUNTING PROCEDURES

The OVBR is a non-profit, non-stock California corporation with the primary purpose of carrying out programs in education, organization, and advocacy, as well as undertaking projects, programs, and activities deemed necessary and consistent with the goals set by the Board of Directors. The OVBR is recognized by the Internal Revenue Service as a 501(c)(6) organization, with Tax Identification Number 95-2382917. The fiscal year of the OVBR begins on January 1 and ends on December 31.

The objective of the OVBR accounting system is to record, classify, and summarize all financial transactions and provide accurate reporting to leadership. Specific objectives of the system include:

- a. Ensuring that all costs incurred are allowable and properly recorded.
- b. Ensuring vendor invoices are paid accurately, promptly, and charged to the appropriate cost center.
- c. Providing accurate reports to leadership for informed decision-making.
- d. Ensuring clear and accurate responses to inquiries from members and leadership.

Administrative, management, and accounting controls are built into the system to provide reasonable assurance that the organization's assets are safeguarded, risks are minimized, and generally accepted accounting principles are followed.

### **Authority**

The Board of Directors of the OVBR establishes financial policies in accordance with generally accepted accounting procedures and requirements outlined by the National Association of REALTORS® (N.A.R.).

### **Records**

All financial records are maintained at the OVBR office, located at 206 N. Signal Street, Ste. J, Ojai, CA 93023. Records are retained in accordance with the OVBR Records Retention Policy.

### **4.2 EXPENSE GENERAL POLICY**

In compliance with IRS regulations, the OVBR will follow these procedures for the reimbursement of expenditures:

- a. All requests for reimbursement must be submitted via invoice to the Board of Directors.
- b. Requests for travel reimbursement must be submitted to the OVBR office within 30 days of the last day of travel.
- c. Reimbursements will be issued to members within 30 days of receipt of the invoice, either by mail or included in the employee's next paycheck.
- d. The Board of Directors will approve all reimbursement requests submitted by the Association Executive (AE).
- e. The AE will approve reimbursement requests submitted by the President and President-Elect.

### **4.3 INVESTMENT POLICY**

This Investment Policy is to provide a clear understanding of the OVBR investment objectives. All parties involved in managing the investments of the OVBR are expected to act in a prudent

manner consistent with the best interests of the OVBR and have authority to maximize investment opportunities within the limitations of these guidelines.

### **Definition of Duties**

The following parties are authorized to act on behalf of the OVBR in managing and overseeing the guidelines of this policy as follows:

1. Board of Directors: The board has the ultimate fiduciary responsibility for the OVBR investment portfolio. The board is responsible for ensuring that appropriate policies governing the management of the portfolio are in place and that they are implemented. The board shall set and approve the investment policy, and delegate responsibilities to the Executive Committee for implementation and ongoing monitoring.
2. The Executive Committee is responsible for implementing the investment policy. The Executive Committee shall be responsible for approving the investment strategy; hiring investment managers, the custodian and investment consultants; and monitoring portfolio performance on a regular basis. The Executive Committee is authorized to delegate certain responsibilities to professional experts in various fields. These include, but are not limited to Investment Management Consultant, Investment Manager, and Custodian.
3. Investment consultant(Bryant Huber at Edward Jones): The investment consultant is responsible for assisting the Executive Committee in all aspects of managing and overseeing the OVBR investment portfolio. At a minimum, consultants should provide asset allocation advice, assist with manager selection, provide portfolio performance reports, review current managers, monitor the overall health of the portfolio and provide education to the Board of Directors

### **Investment Objectives**

OVBR's overall financial objective for its investment portfolio is to preserve the real (inflation-adjusted) purchasing power of assets while maximizing real income and minimizing volatility of principal value without exposure to undue risk. Real income is defined as the sum of dividends, interest, and realized gains/losses less the inflation rate as measured by CPI (Consumer Price Index) for the relevant time period.

### **Investment Strategy and Asset Allocation**

1. **Operating Fund:** The purpose of the Operating Fund is to provide sufficient cash to meet the day-to-day financial obligations of the OVBR in a timely manner. The investment objectives of the Operating Fund are:
  - Preservation of Capital;
  - Liquidity; and
  - To optimize the investment return within the constraints above.

### **Allowable Investments**

The Operating Fund shall be invested as follows:

1. Federally Insured Certificates of Deposit at commercial banks or savings and loans

- institutions not to exceed federally insured amounts;
  - 2. Money market funds that invest in government-backed securities;
  - 3. Interest bearing checking and savings accounts in federally insured banks and savings and loans not to exceed federally insured amounts;
  - 4. Direct obligations of the U.S. Government, its agencies and instrumentalities.
- The maturities on investments for the Operating Fund shall be 12 months or less.

2. **Short-term Reserve Fund:** The purpose of the short-term reserve fund is to meet the expenses occurring as a result of unanticipated activities and to improve the return on the funds held for expenditure for up to five years. The investment objectives of the short-term fund are:

- Preservation of capital;
- Liquidity; and
- To optimize the investment return within the constraints above.

**Allowable Investments**

The Short-term Fund shall be invested as follows:

1. Federally Insured Certificates of Deposit at commercial banks or savings and loans not to exceed federally insured amounts;
2. Money market funds that invest in government-backed securities;
3. Interest bearing checking and savings accounts in federally insured banks and savings and loans not to exceed federally insured amounts;
4. Direct obligations of the U.S. Government, its agencies and instrumentalities.
5. Mutual funds that invest in direct obligations of the U.S. Government, its agencies and instrumentalities.

The Short-term fund shall have a weighted average maturity of five years or less.

3. **Long-term Reserve Fund:** The purpose of the Long-term Reserve Fund is to provide secure long-term funding for the mission of the OVBR. The assets of the long-term reserve fund shall be managed to facilitate the organization's goals and objectives as outlined by the Board of Directors. Expenditure of the principal is board designated unless otherwise designated by the donor(s). At the discretion of the Board of Directors, up to 100% of the yearly total return may be utilized for organization and program expenses unless restricted for specific purposes.

The investment objectives and strategy of the long-term reserve fund is to emphasize total return; defined as the aggregate return from capital appreciation and dividend and interest income. The primary objective of the investment management of the long-term reserve fund shall be:

- To emphasize the long-term growth of principal while avoiding excessive risk. Short-term volatility is anticipated, though management should strive to contain it.
- To achieve returns in excess of the rate of inflation plus spending over the investment time period in order to preserve the purchasing power of the assets.

The investment guidelines for the long-term fund are as follows:

1. The assets shall be invested with care, skill, prudence, and diligence.

2. Investment of these funds shall be so diversified as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.
3. One or more investment managers of varying styles and philosophies may be employed to attain the Fund's objectives.

#### **Allowable Investments**

1. Cash Equivalents (not to exceed federally insured amounts)
  - a. Treasury bills
  - b. Money market funds
  - c. Commercial paper
  - d. Certificates of deposit
2. Fixed Income Securities
  - a. U.S. Government and Agency securities
  - b. Corporate notes and bonds (investment grade)
  - c. Mortgage-backed bonds
  - d. Preferred stock
3. Equity Securities
  - a. Common stocks
  - b. Convertible notes and bonds
  - c. Convertible preferred stocks
4. Mutual Funds that invest in securities as allowed in this statement

All equity investments shall be executed through nationally recognized exchanges such as the New York Stock Exchange, American Stock Exchange and NASDAQ. In general, the portfolio shall be well diversified with respect to industry, sector and company in order to minimize risk exposure.

#### **Investment Restrictions**

The following investments and investment activities are prohibited:

1. Private placements;
2. Letter stock;
3. Individual options contracts.
4. Commodities or commodity contracts;
5. Short Sales;
6. Margin transactions; and
7. Any speculative investment activities.

#### **Monitoring of Objectives and Reporting Requirements**

The OVBR Board of Directors shall have primary oversight responsibility for the execution of the investment program. The Executive Committee will report to the full Board of Directors.

All objectives and policies are in effect until modified by the Board of Directors. The Board of Directors may from time to time delegate specific responsibilities to the Executive Committee. The Executive Committee will review this investment policy and guidelines at least annually for

their continued appropriateness.

It is understood that at the date of adoption of this policy, investments in existing portfolios may not conform as described above. The Investment Manager shall be required to change all investments that do not satisfy the guidelines within 30 days of notification or in a time frame designated by the Board of Directors.

## **Reporting Requirements**

**Operating Reserve Fund:** The Investment Manager shall prepare the following reports for presentation on at least a quarterly basis to the Board of Directors:

1. Schedule of investments
2. Interest income year to date
- 3.

**Short-term Reserve Fund:** The Investment Manager shall prepare the following reports for presentation on at least a quarterly basis to the Board of Directors:

1. Schedule of investments which includes schedule of performance since purchase or last 3 years;
2. Interest income year to date
3. Current Yield

**Long-term Reserve Fund:** The Investment Manager shall prepare the following reports for presentation at least semi-annually to the Board of Directors:

1. Schedule of investments;
2. Evaluation on a total return basis;
3. Year to date results

## **Socially Responsible Criteria**

In order that the investments held by the OVBR are consistent with its mission and the concerns of its donor(s), the following requirements shall be observed with regard to the securities held in the portfolio:

1. No producers of tobacco or alcohol products,
2. no companies which manufacture weapons or are involved in the military, and
3. no companies with a pattern of violating equal opportunity or occupational safety and health laws.

Whenever possible, OVBR shall invest in companies described as socially responsible including those that promote environmental stewardship, consumer protection, human rights and diversity.

## **4.4 CHECK SIGNING POLICY**

All checks over \$300 must have two authorized signatures, one of which must be the AE. The Association Executive shall have the authority to sign checks up to and including \$300 before a second signature is sought. Authorized signers are the President and President-Elect.



#### 4.5 CHECK DISBURSEMENTS

All Association disbursements shall be made by check and require the signature of the Association Executive (AE) and, for amounts exceeding the specified threshold, one of the following elected leaders: the President or President-Elect. Disbursements payable to the AE shall be signed by either the President or the President-Elect.

#### 4.6 NON-SUFFICIENT CHECK POLICY

There will be a fee of \$35 on any returned check. It shall be the policy of the Association that any company/individual that has 2 checks returned for non-sufficient funds in a 2-year period will be put on a cash basis. Guaranteed funds will be accepted in the form of money order, cashier check or certified check.

#### 4.7 CREDIT CARD/DEBIT CARD USAGE

The Association Executive is the only authorized user for the credit/debit card. Otherwise, the card number is confidential. If anyone needs to order anything by credit card/debit card, they will need to get permission from the AE before ordering. Only items needed to conduct OVBR business can be charged. When any order is made, documentation needs to be uploaded in Quickbooks showing a copy of what was ordered along with the date and the amount. This will give us documentation to match with the monthly statement.

#### 4.8 BUDGET

It is the policy of the organization to maintain an annual budget. The budget will initially be compiled by the Association Executive. Is it the responsibility of the Association Executive to forward the preliminary budget to the Board of Directors for approval, modification, or rejection of the budget.

#### 4.9 BUDGET ADOPTION SCHEDULE

The OVBR program and fiscal year runs from January 1 through December 31. Each committee chairperson is given the opportunity to submit a budget request for the upcoming year to the Association Executive (AE). The AE develops the initial budget, which is then reviewed and advised upon by the Finance Committee prior to submission to the Board of Directors (BOD). Committee chairpersons may attend the Finance Committee meeting to present and discuss their committee's budget. Final approval of the budget rests with the BOD. The AE is responsible for receiving and disbursing OVBR funds in accordance with the bylaws and the approved annual operating budget.

#### 4.10 EXPENDITURES

The Association Executive (AE) is authorized to make expenditures within the approved budget without further approval. Expenditures exceeding the budgeted amount require approval from the Board of Directors (BOD). Whenever feasible, competitive bidding should be utilized. No budget line item may exceed its approved allocation without BOD approval. Incidental expenses may be paid from the Association's Petty Cash account under the direction of the AE. Any contractual expenditure authorized by the BOD, or related documentation, shall be executed by

the AE unless a specific BOD resolution authorizes another party to do so, with approval from legal counsel.

#### 4.11 BANK RECONCILIATIONS

The Association Executive will provide the accountant with all bank and investment account statements during the first week of each month for the prior month's activity. The accountant will review the statements, address any questions from the Association Executive, and complete monthly bank reconciliations.

#### 4.12 BARTERING PROHIBITED

It is the policy of the organization to prohibit entering into bartering agreements with members whereby dues are forgone in exchange of goods or services provided by the member. Any other type of bartering agreement in any form is also prohibited.

#### 4.13 CHECK PREPARATION AND MAILING

It is the policy of the organization to prepare and mail checks for vendor payments upon receipt of the invoice. The proper check signing policy must be followed as stated in this policy.

#### 4.14 CONTROL OVER CHECKS AND CASH

Once the mail is opened, all checks should be processed by the Association Executive and deposited in the bank within 2 business days.

#### 4.15 CREDIT CARDS/ DEBIT CARDS

It is the policy of the organization to issue credit cards/debit cards to the Association Executive.

#### 4.16 FINANCIAL STATEMENT PREPARATION & DISTRIBUTION

It is the policy of the organization to prepare and distribute monthly financial statements, which will include the Balance Sheet, Profit and Loss Comparison, and Aging Receivables Report. These statements will be prepared by the accountant and provided to the Association Executive, who will distribute them to the Board of Directors at each monthly Board meeting, reflecting the prior month's activity.

#### 4.17 IRS 1099 FORMS

It is the policy of the organization to prepare IRS Form 1099 for all individuals and vendors who receive \$600 or more in payments from the organization. Federal Tax Identification Numbers (W-9) will be obtained and recorded for all vendors.

#### 4.18 SEGREGATION OF DUTIES

It is the policy of the organization to maintain appropriate segregation of duties in all aspects of its financial operations to ensure accuracy, transparency, and protection of organizational assets. No single individual shall have sole authority or control over any financial transaction from start to finish.

#### 4.19 TRAVEL POLICY

For the members and staff traveling on behalf of the OVBR, the following policy has been adopted by the Board of Directors. It is the intent to be fair to OVBR members and staff by reimbursing them for expenditures when they are requested to attend meetings, if necessary, as part of their responsibilities in fulfilling their office and position. The OVBR will pay approved transportation, accommodations, registration and per diem costs for travel for the meeting days only. If the funded traveler would like to extend their stay they will not be reimbursed for those costs.

**Transportation by Air:**

All air travel must be arranged and booked in advance by the Association Executive to secure the best available rates. Coach class is the standard; any upgrades are the responsibility of the traveler. One checked bag per traveler will be reimbursed.

**Transportation by Personal Vehicle:**

Mileage for personal vehicle use will be reimbursed at the current IRS allowable rate.

**Accommodations:**

The Association Executive will make all hotel reservations whenever possible. Travelers may be required to use their own credit card at check-in for incidental charges. Hotel rates will be reimbursed at the lowest convention rate available at hotels on the approved list for the event. If no rooms are available at listed hotels, reimbursement for an alternative hotel is allowed with prior approval from the Association Executive and Board of Directors.

**Per Diem:**

The Association Executive and traveling Directors will receive a per diem of \$100 per day for the full travel period to cover meals and incidental expenses.

**Cancellations:**

If a funded traveler wishes to cancel a trip and fails to contact the Association Executive in time and the Association must pay costs due to lack of notice from the traveler, those expenses will be billed to the traveler.