

Informational Town Forum Summary and Task Force Actions

The MAR Structural Audit Task Force held an informational town hall forum on August 11 hosting an open discussion on the Governance Proposal. On August 16, the Task Force met to discuss every comment and suggestion made during the forum.

Since the Governance Proposal has two distinct parts: The restructuring of committees, qualifications for service, etc. and the composition of the Board of Directors, they also suggested two motions to Executive and BOD, instead of one, as follows:

Note: “~” signifies an approximate number throughout since actual numbers depend on membership and may vary over time.

Motion 1: To approve the composition of the BOD effective as of January 1, 2018 as outlined below.

2018 Proposed - Board of Directors

Chair: Current MAR President

Members:

- All members of the Executive Committee: President-Elect, Secretary/Treasurer, Immediate Past President, EVP/CEO (non-voting), 1 Local Association Executive, 7 Regional Representatives (formerly known as Regional Vice Presidents), 4 at-large members of the Executive Committee
- 2 most recent willing and able Past Presidents not currently serving on the Executive Committee, 1-year term
- ~3 MAR elected NAR Directors (in addition to MAR President and President-Elect who serve as NAR Director by virtue of position)
- 1 at-large member designated by each Local Association – 2-year term
- ~40 at-large members pursuant to the formula: Local Association membership divided by total membership x 40. Two-year term, no more than 4 years in a 6-year time period.

Note: See last page for chart

Composition: ~77 (~ signifies approximate)

Motion 2: To approve the Governance Structure as outlined in the attached except per Motion #8, with implementation date of January 1, 2018, except that the proposed Leadership Development Committee be implemented January 1, 2017.

→Following are further adjustments made to the structure based on suggestions and comments from the Forum.

Structure Adjustments (underlined).

1. Board of Directors under Qualifications:
 - Must have served on a Local Association Board of Directors or MAR committee, Work Group, or Task Force within the past five years.
2. Standing Committees per Bylaws:
 - Finance Committee
 - Investment Committee

It was previously proposed to merge Finance, Investment & Audit under one Committee. Discussion showed the very significant differences between these functions that prevented from being combined.

→The following is a summary of comments from the Forum and feedback on those comments from the Task Force.

General

1. Rationale on how the initiative from the 2012 Strategic Plan came about
SATF: Lack of committee member volunteerism and commitment; votes that had to wait to go before the full BOD delayed action; lack of engagement. The Strategic Planning Committee and the BOD affirmed the 2012 initiative each year after.

2. The following comment summary are all those things that will be discussed either by the LDC or other volunteer leaders as processes are developed to support the structure. All suggestions will be forwarded to the appropriate groups for serious consideration.
 - a) NAR publicizes BOD attendance records. MAR should do the same.
 - b) There needs to be more information at the local level about what we are responsible for, more training.
 - c) Reports at BOD should come by email or audio and not at the BOD. Make the meetings more relevant to engage members more, not a lecture.
 - d) Caucuses are meant to streamline but debated on attendance; information isn't shared from caucus to caucus and should be.

Board of Directors

1. Include all NAR Directors or select ones such as NAR DSAs, NAR Past President and NAR RVP
SATF: The consensus of the group is that the 5 NAR Directors who will serve on the new BOD can feed information to the other NAR Directors and to the local associations; that adding the full NAR Director group would skew the ratio of them to other members elected or appointed by the membership through their local associations or by the MAR BOD and increase the ratio of large local association representation; although they may be important to the three channels of communication they are not integral to the MAR governance which is the primary function of the BOD; and, all NAR Directors are always welcome to attend the meetings without vote
2. Add one more rep to the BOD per local
SATF: The consensus of the group is that adding a local rep would be disproportionate and smaller boards do better proportionately as the structure is currently proposed.
3. Number of meetings per year should stay at 3
SATF: The governance at hand can be conducted in two meetings. The language calls for not fewer than 2 so that there is flexibility. In addition there will be other networking possibilities at other events for the body to engage or possibly combine with BOD meetings.
4. A contract may be intimidating and hyper-professionalize the BOD
SATF: The group believes there should be an action that would commit the member to participation and responsibility. It could be an agreement rather than a contract (possibly "Commitment to Excellence") that would help the volunteer understand their role and responsibility. The LDC and other committees and leaders will discuss and develop in 2017 to be vetted properly.
5. Costs to run BOD meetings
SATF: Hard costs are approximately \$30,000; staff time is approximately 250 hours total for several staff to plan and executive 3 sets of caucuses and 3 BOD meetings each year.

Executive Committee

1. Focus VPs don't need to be called that but keep them as Presidential appointments
SATF: The consensus of the group was that the president need not have appointments, that elections are a fairer representation and in the past those appointed were prospects for leadership whereas the LDC will assume that role.
2. Is there a job description for regional reps? Would the BOD have another vote for the description of the jobs? How do they act as ambassador?
SATF: LDC which includes the regional VPs will develop descriptions etc. in 2017 which would be policy changes governed by the Executive. BOD is voting on structure not process at this time.
3. Why the move of authority to employ, prescribe the functions of the EVP to Executive Committee?
SATF: The termination should stay with the larger group with final fiduciary responsibility, the daily functions and hiring should be with the executive body.

LDC/Committees

1. What is budget for LDC to implement the processes in 2017?
SATF: \$6,000
2. What is the makeup of the Awards Committee?
SATF: Two most recent MAR past presidents, current MAR President, MAR CEO, and three most recent past recipients for the respective award. Selects all awardees, including, but not limited to: REALTOR® of the Year; Milt Shaw Award; Educator of the Year; Advocacy Award, Housing Champion Award, Good Neighbor Award; Public Policy and Property Rights Advocacy Award; Life Membership review, and other awards as appropriate. Past recipients would participate on related award selection and not all selections, acting much as subcommittees of the whole. All members appointed each year for a one-year term.
3. Should award committee be made up of past recipients or those who want to serve?
SATF: Other members sit on the committee in addition to past recipients and it is the consensus of the group that past recipients by virtue of the award are pre-qualified.