



BOARD MINUTES

NAA Board of Director's Meeting Minutes

May 12, 2015, 4:00 PM to 5:30 PM • Conference Call

Call to Order

The telephonic meeting was called to order by Chairman Tom Beaton at 4:00 PM EDT.

A quorum was reported by staff (a total of 32 Board members were on the conference call).

Chairman Beaton described the agenda to the Board and the reason for meeting telephonically. Due to the number of persons on the call, he asked that members not speak unless recognized.

Report of the Governance Committee

The Chairman recognized Brad Williams and asked him to describe the report and recommendations of the Governance Committee (attached).

Following Mr. Williams' report, a discussion ensued regarding which parts of the recommendations would be mandatory and which would be discretionary within the various NAA Regions. Further discussion involved whether the report needed more editing prior to a vote and how it would be applied in practice.

After due deliberations, a motion was made.

Motion: To accept the Governance Committee Report for 2015 only with the understanding that the proposed deadlines for nominations (for 2015) had already passed and that the qualifications for Regional Vice Presidents would take effect immediately.

Motion/Second/Approved (M/S/A)

Report of the Task Force Assigned to examine the Reimbursement of Expenses for the NAA Board and Executive Committee

The Chair recognized Marc Ross after summarizing the discussions on the subject of expense reimbursement that had occurred at the March Board meeting.

Marc Ross summarized the recommendations (attached) which would become effective January 1, 2016.

A discussion ensued regarding the current policy, how it was adopted, and how it was communicated to the Board.

Motion: To adopt the recommendations effective January 1, 2016.

Amended Motion: To adopt the recommendations and that NAA reimburse hotel expenses for Board members for both Thursday and Friday nights during the 2015 NAA Education Conference & Exposition.

Second Amended Motion: To adopt the recommendations and that NAA reimburse hotel expenses for Board members for both Thursday and Friday nights during all 2015 NAA Education Conference & Exposition. (M/S/A)

Announcements

Chairman Beaton briefed the Board on the latest registration and sales numbers for the 2015 NAA Education Conference & Exposition.

Adjournment

The meeting was adjourned by Chairman Tom Beaton at 5:30 PM.



MEMO

May 15, 2015

TO: NAA Board of Directors
FROM: Brad Williams
RE: Governance Committee Report

The Board accepted the attached Governance Committee Report on May 12, 2015 with the following edits and provisos:

1. The word "Guidelines" was deleted from the heading on Page 1 (which formerly read "Qualifications and Guidelines for RVPs"). The deletion is reflected in the attached report.
2. The date requirement regarding elections of RVPs and Delegates was waived for 2015.
3. The process will be revisited for possible revision by the Board after the 2015 nomination/election process is completed.

GOVERNANCE COMMITTEE REPORT

05/12/15

REGIONAL VICE PRESIDENT- NON VOTING RVP*

NOMINATING & ELECTION PROCESS

The strength of any volunteer organization lies in its ability to attract leadership from the ranks of its membership. It is important for our members to have a sense of participation in NAA.

Regional Vice Presidents (RVP) shall be elected under the following procedures:

QUALIFICATIONS FOR RVPs

1. All nominees must be either an owner, developer, builder or operator currently serving in a senior level capacity in the multifamily housing industry.
2. All nominees must be employed by a member company in good standing
3. Knowledge, experience and demonstrated commitment to NAA through service to NAA's Board of Directors, Assembly of Delegates, committees and/or affiliates;
4. Candidate's prior participation in NAA committees and/or local affiliated associations.
5. Demonstrated leadership at the state and/or local level or relevant professional experience or volunteer experience
6. Other Relevant Experience
 - A. NAA
 - B. Industry
 - C. Civic/Social

RESPONSIBILITIES OF A REGIONAL VICE PRESIDENT

As a Board member with responsibility and authority for the governance structure of the association, you owe a fiduciary duty to NAA, including duties of care, loyalty, and obedience. You are required to act reasonably, prudently, and in the best interests of NAA; to avoid negligence and fraud; and to avoid conflicts of interest.

1. Serve as a member of the Board of Directors & attend the 5 annual meetings.
2. Assist AE Regional liaison in obtaining affiliate reports for Regional Report.
Report other regional activities at each Board of Directors meeting.
3. Set Agenda with AEC Liaison and NSC Liaison and preside over all Regional meetings at the 3 National meetings.
4. Bring questions and/or concerns from the Region to the Board of Directors.
5. Actively support the AE's for the promotion/registration of the June Education Conference and all other meetings.
6. Appoint one owner/manager member to serve on the Nominating Committee with a minimum of 3 years national volunteer experience with the National Apartment Association (preferably with prior service on the NAA Board or the Assembly of Delegates).
7. Elect or appoint NAA committee members from within the Region each year.
8. Support the NAA Bylaws and Policies & Procedures.
9. Assist NAA's efforts to establish new affiliates within the Region.
10. Assist NAA affiliates within the Region in reporting members and units appropriately and encourage affiliates to submit dues on a timely basis.
11. Attend local affiliate meetings as a representative of NAA, attempt to visit each affiliate in the Region at least once during a two-year period.
12. Assist in finding new members within the Region to serve in the NAA leadership.

13. Respond to members' questions and needs.

TRAVEL COMMITMENT

- Election as a NAA Regional Vice President (RVP) carries with it a responsibility and commitment to attend all scheduled NAA Board meetings. RVPs will assume the responsibility for all expenses in conjunction with these meetings with the exception of hotel accommodations that will be reimbursed in accordance with NAA policy.
- Five Board of Directors meetings held annually. One each in conjunction with the Capitol Conference, the Education Conference and the Assembly of Delegates Meeting and two stand-alone meetings, one in January and again in September/October;
- Attend local affiliate meetings as a representative of NAA, attempt to visit each affiliate in the Region at least once during a two-year period. Travel to the affiliate as a representative for the Association will be reimbursed in accordance with NAA policy.

ELECTION OF REGIONAL VICE PRESIDENTS

Members of affiliated associations may nominate candidates to serve as a Regional Vice President. Each Region shall appoint a nominating committee to review the qualifications of the nominees and forward all qualified nominees to NAA. The Nominating Committee shall select one AE from the region to act as the Affiliate Representative. The delegates in each Region shall elect the appropriate number of Regional Vice Presidents (in accordance with the Bylaws) in order of the votes received. The voting shall occur at the June Education Conference. Absentee voting at a regional meeting is not allowed.

CALL FOR NOMINATIONS FOR NAA REGIONAL VICE PRESIDENTS

- A call for nominations shall be sent to Delegates and Alternates in each Region and also distributed at the Capitol Conference at the Regional Meetings
- Nominations shall be submitted electronically on an NAA Nomination Form to the Affiliate Representative for the region no later than May 1st.
- Affiliate Representative sends nominations to NAA by May 15 each year to create a Region Ballot.
- A listing of all qualified candidates shall be distributed to Delegates/Alternates by May 31st.

- RVP elections shall occur at the June Education Conference Region Meetings.

DELEGATE/ALTERNATE ELECTION PROCESS

Each state is entitled to one delegate. States are also allocated additional delegates and alternates* based upon the percentage of NAA's national affiliate dues billed for the previous May 1 through April 30 period, and received prior to the end of that twelve month time period ending (April 30) for the following year. All dues paid by an affiliate will be attributed to the state in which the members are located. International members will not receive any delegates, and as such, dues paid by international members will not be used in the calculation of delegates.

The delegates and alternates* are chosen by each state via a State Affiliated Association or by Local Affiliated Associations when no State Association exists. In turn, the delegates elect Regional Vice Presidents to sit on NAA's Board of Directors.

The Assembly of Delegates must meet once a year in the Fall, to elect the NAA officers for the following year, and to approve the NAA operating budget. The Assembly may also meet at the Capitol and Education Conferences to receive reports from the committees.

QUALIFICATIONS FOR A DELEGATE

1. Delegates shall be employees of industry or supplier members or staff of Affiliated Associations in good standing.
2. Delegates should act in good faith and in accordance with what they believe to be in the best interests of the National Apartment Association.

RESPONSIBILITIES OF A DELEGATE

1. The Assembly of Delegates must meet once a year in the Fall, but may also convene at NAA's other national meetings.
2. Delegates from each state must familiarize themselves with issues of importance and communicate these issues to NAA members in their respective states.
3. Delegates elect the NAA Officers.
4. Delegates of each Region elect Regional Vice Presidents to serve on the NAA Board of Directors.
5. Delegates Approve the NAA Operating Budget and Dues Structure.
6. Delegates Amend the NAA By-laws.
7. Delegates configure the NAA Regions.
8. Delegates serve on NAA Committees.

DELEGATE/ALTERNATE SELECTION PROCESS

1. The Assembly of Delegates consists of one delegate per state and the District of Columbia (51) with the balance of 199 delegates being allocated based upon the percentage of NAA's national affiliate dues billed for the May 1 through April 30th period, and received prior to the end of that twelve month time period ending (April 30).

2. All dues paid by an affiliate will be attributed to the state in which the membership is located.
3. International members will not receive any delegates, and as such, dues paid by international members will not be used in the calculation of delegates.
4. Each Delegate shall serve a term of one (1) year beginning on January 1st of the calendar year.
5. Each represented state may appoint one (1) alternate* for each of its delegates.
6. Each year during the Education Conference in June, the 250-delegate allocation will be announced for the next calendar year.
7. NAA Staff will communicate the number of delegates to be elected in each state to the affiliates in each state before their respective elections.
8. IF THERE IS NO STATE AFFILIATED ASSOCIATION AND THERE ARE NO LOCAL AFFILIATED ASSOCIATIONS
NAA Staff shall contact direct members in each state and solicit their willingness to serve in the Assembly of Delegates.
NAA Staff will conduct electronic elections in which weighted votes are cast by direct members according to the amount of dues paid for the previous May 1 through April 30 period.
9. Delegates and Alternates should be reported to NAA by November 1st of each year for the following year but no later than January 1.

Executive Committee Expense Reimbursement Policy

Normal and reasonable expenses associated with meetings (Board, Officer, and Executive), affiliate visits, and industry events are eligible for reimbursement. Such expenses include:

- Transportation Expenses – Airline tickets (Economy unless otherwise approved in advance), train tickets (Economy unless otherwise approved in advance), bus tickets, cabs, rental cars, privately owned vehicle (POV) mileage at IRS approved rates, parking, etc.
- Lodging Expenses – Room, tax, parking, non-optional charges (e.g. resort fees)
- Other Expenses – Meal and other out-of-pocket expenses
- Meeting Expenses – Registration fees, out of pocket presentation costs

Travel requests that officers receive from affiliates or industry groups should be referred to the designated staff liaison who will seek approval of the travel in accordance with the Association's budget and outreach strategy.

Receipts (copies or pictures of the receipts are acceptable) must be submitted along with a Reimbursement Request Form. Tips and other expenses under \$100 in aggregate may be itemized without documentation.

All requests for reimbursement including receipts should be submitted no later than 30 days after the meeting/event. Requests for reimbursement will be reviewed and approved by the President (or the person designated by the President) as well as the Chief Financial Officer.

Regional Vice President Expense Reimbursement Policy

1. Regional Travel

Normal and reasonable expenses associated with affiliate visits are eligible for reimbursement. Such expenses include:

- Transportation Expenses – Airline tickets (Economy unless otherwise approved in advance), train tickets (Economy unless otherwise approved in advance), bus tickets, cabs, rental cars, privately owned vehicle (POV) mileage at IRS approved rates, parking, etc.
- Lodging Expenses – Room, tax, parking, non-optional charges (e.g. resort fees)
- Other Expenses – Meal and other out-of-pocket expenses not to exceed \$100 daily
- Meeting Expenses – Out of pocket presentation costs

Travel requests that Regional Vice Presidents receive from affiliates should be coordinated with the designated staff liaison. An allowance per region will be established yearly during the budget approval process. All contemplated expenses in excess of the allowance should be discussed with the designated staff liaison, who will seek approval of the travel reimbursement in accordance with the Association's budget and outreach strategy. The designated staff liaison will notify the Regional Vice President if the reimbursement request will be approved.

Expense Reimbursement Request Form and receipts (copies or pictures of the receipts are acceptable) must be submitted no later than 30 days after the visit on an approved Reimbursement Request Form. Tips and other expenses under \$100 in aggregate may be itemized without documentation. Requests for reimbursement will be reviewed and approved by the President (or the person designated by the President) as well as the Chief Financial Officer.

A RVP Affiliate Visit Form must be submitted with the Expense Reimbursement Request Form detailing the purpose of the visit(s).

2. National Meetings

NAA will cover all nights and non-optional charges (e.g. resort fees) required for the Winter Board Meeting, the Spring Governance Meeting, the Capitol Conference, the Education Conference, the Fall Board Meeting and the November Assembly of Delegates/Board of Directors Meeting. NAA will notify each Regional Vice President how many nights are being paid when they receive notice of the meeting. In addition, any hotel nights for Regional Vice Presidents who must arrive early or depart late because of the meeting schedule or location will also be paid. Any hotel nights and other expenses in excess of the time frame established above will be the responsibility of the Regional Vice Presidents.