



# NAA POLICIES & PROCEDURES

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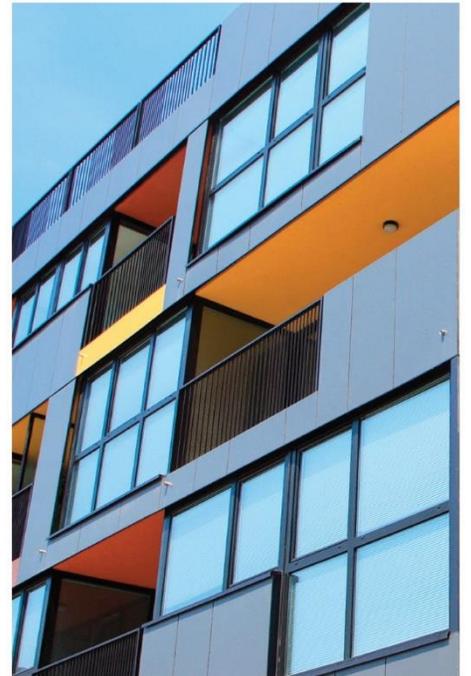


Table of Contents

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Introduction ..... 1
The NAA Network ..... 1
Affiliated Associations ..... 1
Affiliate Territory ..... 2
Reassignment of Territory ..... 2
Revocation of Charter ..... 3
NAA Affiliate Standards ..... 3
Dues Structure and Membership Reporting ..... 6
Governance ..... 7
Assembly of Delegates ..... 8
Board of Directors ..... 9
Executive Committee ..... 10
Elections ..... 11
Regional Vice Presidents (RVP) ..... 11
Committees, Task Forces and Working Groups ..... 13
Committee Chairman and Vice Chairman ..... 13
Councils, Institutes, Boards, Societies, and Foundations ..... 14
Management of the Association ..... 15
President ..... 15
Duties of President ..... 15
President's Compensation ..... 15
Bonus Program ..... 15
Succession Plan ..... 15
Termination ..... 15
Financial ..... 15
Fiscal Period ..... 15
Budget ..... 15
Collection ..... 15
Audit ..... 16
Reimbursement ..... 16
Special Funds ..... 16
Reporting ..... 16

Reserves .....	16
Investment Policy .....	16
Disaster Response Plan.....	16
IRS Form 990.....	16
Communications .....	16
Logos .....	16
Data Use and Sharing Policies.....	16
Communication with Current and Potential Members .....	17
Miscellaneous .....	17
Contracts.....	17
Government Action and Litigation .....	17
Conflicts of Interest .....	17
Policies Required .....	17
Review of Bylaws and Policies and Procedures.....	18
Awards & Recognition .....	18
Hall of Fame Award.....	18
Lifetime Achievement Awards .....	18
Excellence Awards.....	18
Past Chairman and Emeritus Director .....	18
Appendix 1: Criteria and Procedures for Granting Charters .....	19
Appendix 2: Dues and Licensing Fees .....	23
Appendix 3: Membership Reporting.....	25
Appendix 4: National Apartment Association Member Service Pledge.....	26
Appendix 5: Allocation, Selection, Replacement, and Reporting of Delegates and Alternates.....	28
Appendix 5A: Delegate Replacement Form.....	30
Appendix 6: Duties and Responsibilities of NAA Board of Directors.....	37
Appendix 7: Board Member Expense Reimbursement Policy .....	38
Appendix 8: Nomination Process for NAA Officers .....	39
Appendix 9: Nominations & Election Process for Regional Vice President (RVP) .....	41
Appendix 10: Listing of Committees, Task Forces and Working Groups .....	44
Appendix 11: Committee Member Selection Process.....	47
Appendix 12: CEO Succession Plan.....	50
Appendix 13: NAA Special Funds.....	53
Appendix 14: Reserve Fund Policy.....	62
Appendix 15: Investment Policy and Guidelines.....	64

Appendix 16: Disaster Response Plan ..... 76

Appendix 17: Data Use Sharing Policy ..... 82

Appendix 18: NAA Conflict of Interest Policy and Confidentiality Statement ..... 85

Appendix 19: Hall of Fame (HOF) Selection Process ..... 88

Appendix 20: Lifetime Achievement Award (LAA) Selection Process ..... 90

Appendix 21: NAA Past Chairmen of the Board and Emeritus Director - Recognition. 92

## Introduction

NAA's Board of Directors (Board) has decided that the organization should operate in a certain manner. These policies, procedures, and appendices reflect the decisions of the NAA Board of Directors. When read in conjunction with NAA's Bylaws, the two documents provide the description of how the various components of the NAA network function together. If there is a conflict between the Bylaws and the Policies and Procedures, the provisions in the Bylaws shall control.

NAA is a federated association in which the national organization acts with a network of (state and local) affiliated associations.

Members can participate as delegates to NAA's Assembly of Delegates, Committees, and Councils. Each group works with the NAA professional staff to best serve NAA's members.

NAA employs a professional staff that is charged with managing the operations of the association. The President/CEO of NAA has the responsibility to manage the activities of the staff. They are expected to inform the Officers, Board of Directors, and the Assembly of Delegates so that these groups can fulfill their responsibilities of deciding the policies of NAA. The NAA staff has the responsibility of implementing the policies regarding Governance, Financial Management, Communication, Programs, Event, Membership and Affiliated Associations.

## The NAA Network

NAA is the national organization hosting a network of trade associations that provide member benefits to owners, operators, and suppliers of rental housing. In areas where no local or state affiliates exist, NAA also serves direct members in those categories. These state and local organizations are typically independent corporations with their own finances, governance structures and employees or association management contractors. These affiliated associations have chosen to join the NAA network and to adhere to NAA's Bylaws and Policies and Procedures.

The affiliated associations collect dues for their own organizations as well as NAA dues and remit a portion to NAA. They deliver NAA programs and products to members in their respective areas. Affiliated associations shall not collect dues nor offer NAA programs, services or products outside the geographic territory assigned to their association by the NAA Board of Directors.

## Affiliated Associations

The Board of Directors of the Association may vote to grant a charter and assign a territory to any association, owned, or controlled by its members, that complies with NAA Bylaws and Policies & Procedures.

NAA has sole authority in approving new affiliates. Chartered state affiliates will be asked to provide recommendation, in the form of Board of Directors resolution, as part of the chartering process.

### Local Affiliated Associations

Associations that serve a geographic area that may be less than the entire state. It may also service a territory that crosses state lines.

### State Affiliated Associations

Associations where territory includes an entire State. It may but is not required to have local affiliates. All State Affiliates shall provide that all the local affiliated associations in such state must be and continue to be affiliated with the chartered state affiliated association and NAA.

### International Affiliated Associations

Associations that serve a geographic area outside the United States.

Criteria and procedures for granting Charters are contained in Appendix 1. If the affiliate's approved territory crosses regional or State lines, the Board of Directors, may review at any time, how members and units will be allocated for purposes of Regional Vice President and delegate distribution.

### Affiliate Territory

Affiliates will be assigned a territory when their Charter is granted. Affiliates may not accept membership from outside their territory. Affiliates have the exclusive right to provide NAA courses, continuing education for Designation Program Certifications and other NAA goods and services within their territory. Members may choose to attend courses and programs outside of the territory in which they are a member however, affiliates shall not offer any NAA goods or services outside of their approved territory except with the consent of the affiliate within whose boundaries the event is being held. This prohibition is in effect regardless of whether the local affiliate benefits financially from the event. Notwithstanding the foregoing, local affiliates will not be considered to have violated this policy if their members choose to include employees outside of the affiliate's boundaries in a sponsored event.

### Reassignment of Territory

Any member or affiliate may recommend that the territories assigned to chartered local affiliates within their State be revised. After consultation with the appropriate affiliates, increases or reductions in territory, approved by a majority vote of the Board of Directors of NAA, shall be binding upon the chartered local association provided a minimum of at least thirty (30) days-notice of the proposed change.

NAA chartered state and local affiliates requesting a territory expansion shall submit a business plan to NAA outlining how the industry will be served through programming and legislative advocacy.

The NAA chartered state and any adjacent local affiliates shall be notified of requested territory expansions. A period of fourteen (14) days will be allowed for comment by the state and any adjacent local affiliates.

In the event two NAA chartered State or Local affiliates petition for identical territory, there shall be a mediation process by a sub-committee appointed by the Membership Committee Chair. The sub-committee will evaluate all submitted information, as well as potentially request additional information, to identify the best positioned affiliate to serve the industry within the requested territory. The mediation process shall take place within six (6) months from the receipt of disputed territory request. The recommendation will be forwarded to NAA's Membership Committee and Board of Directors for consideration and vote.

If the mediation process is not successful, then affiliates will be forwarded to a hearing panel for a review of the territory request. The panel will render a binding decision on which affiliate is best positioned to serve the industry and shall make a recommendation to NAA’s Membership Committee and Board of Directors.

### Consistency with NAA’s Bylaws and Policies and Procedures

No Affiliated Association’s bylaws or policies shall conflict with any bylaw provisions or policies of NAA. Upon discovery that an affiliated association has operated in violation of the NAA’s Bylaws and/or Policies & Procedures, the NAA President and the Executive Committee shall communicate with the affiliate to attempt to bring the affiliate into compliance. If that effort is unsuccessful, the matter will be referred to the NAA Board of Directors for action.

### Revocation of Charter

NAA may terminate the charter of any affiliated association for any reason, including but not limited to, violations of NAA’s Bylaws, Policies and Procedures, or Affiliate Standards Program. Except for termination for failure to pay all sums due to NAA, termination shall become effective upon a two-thirds (2/3) vote of the Board of Directors, after due process, provided however, that the holder of the terminated charter may note an appeal to the Assembly of Delegates within 10 days of the Board’s action. The Appeal shall be considered at the next meeting of the Assembly of Delegates. Upon failure to pay all sums due NAA, within sixty (60) days after the same shall become due, all member and affiliated association services and privileges shall, upon written notice, be suspended. Failure to remit sums due to NAA, within ninety (90) days after the same shall become due will result in charter termination upon written notice. NAA staff shall notify the Board and the State Association, if one exists, of all suspensions and revocation for failure to pay amounts due prior to taking action to revoke a Charter.

### NAA Affiliate Standards

In 2019, NAA’s Board of Directors voted to approve affiliate operating standards. By introducing a set of affiliate standards, every state and local apartment association will be aligned to leverage the common goals and mission of our network. The goal of the standards is to ensure that every member is provided with the services they deserve and that every Affiliate is contributing to the strength of the NAA network.

Organized into “performing,” “achieving” and “excelling,” and based on a level of excellence and commitment, the standards will be rolled out in cycles over the span of four years to allow ample time for refinement, planning and feedback.

A listing of the standards is below:

<b>CYCLE ONE: PERFORMING STANDARDS</b>	
<b>OPERATIONS</b>	
1.	Affiliates shall adopt and maintain necessary policies to ensure fiscal and legal integrity for their operation, including: <ol style="list-style-type: none"><li>Maintain and regularly review by-laws, ensure compliance with NAA/ State Affiliate governing documents</li><li>Maintain annual operating budget and tax returns</li><li>Maintain minimum insurance as appropriate (association, directors, officers, and staff)</li></ol>

<ul style="list-style-type: none"> <li>d. Additional corporate documents conforming to local, state, and federal laws as required</li> </ul>
<ul style="list-style-type: none"> <li>2. Review the financial practices and position of the association through: <ul style="list-style-type: none"> <li>a. An audit performed at least every three years by an outside CPA; or,</li> <li>b. Annually conduct a financial review by an outside CPA; or,</li> <li>c. An annual board financial review which includes a review of an asset/liability report that clearly illustrates the current cash position of the association and projected cash position relative to anticipated liabilities at year end</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>3. Maintain and report on Affiliate unit counts on a bi-annual basis (April and October)</li> </ul>
<ul style="list-style-type: none"> <li>4. Remit all required membership dues to NAA in a timely manner and by the established payment dates</li> </ul>
<b>LEADERSHIP AND STRATEGY</b>
<ul style="list-style-type: none"> <li>5. Maintain an active Board, which convenes regularly on an annual basis, capturing Board Meeting minutes in compliance with state/ federal laws</li> </ul>
<b>COMMUNICATIONS</b>
<ul style="list-style-type: none"> <li>6. At minimum, maintain monthly communications with members via magazine, newsletter, e-newsletter, or other approved platform, to include communications to inform new or existing members of the benefits of membership (e.g., in-person orientation, benefits “roadmap,” etc.)<sup>[1]</sup></li> </ul>
<ul style="list-style-type: none"> <li>7. Maintain an up-to-date calendar of events on affiliate website<sup>[1]</sup></li> </ul>
<ul style="list-style-type: none"> <li>8. Provide member orientation and promote each of the following through member communications at least 4 times annually: <ul style="list-style-type: none"> <li>a. Click and Lease Program</li> <li>b. NAA programs, NAAEI programs and online professional development</li> <li>c. NAA meetings and conferences</li> <li>d. Membership networking</li> <li>e. NAA research</li> <li>f. NAAPAC</li> <li>g. Grassroots lobbying tools</li> </ul> </li> </ul>
<b>STAKEHOLDER EXPERIENCE</b>
<ul style="list-style-type: none"> <li>9. Submit roster at least semi-annually (April and October) via electronic data interchange that includes: <ul style="list-style-type: none"> <li>a. Member roster with required fields</li> <li>b. Leadership contact roster with required fields</li> <li>c. Key contacts for Member and Supplier Companies</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>10. Adhere to the member service pledge</li> </ul>
<ul style="list-style-type: none"> <li>11. Convene at least two general membership meetings or equivalent networking events annually</li> </ul>

## ADVOCACY

12. Offer at least one structured state or local advocacy event annually
13. Provide or distribute information and communications regarding the value of investing in and the benefits received from the individual's participation in the PAC, and demonstrate participation in state and national calls to action

## CYCLE TWO: PERFORMING STANDARDS

### LEADERSHIP AND STRATEGY

1. Incoming Affiliate Presidents complete a minimum of five hours of leadership training (an equivalency of past training and/or experience serving in NAA leadership role will be considered)
2. Encourage stakeholder participation in annual member satisfaction surveys
3. Every affiliate shall annually certify that its board of directors has reviewed and discussed the association's business or strategic plan and related metrics (goals/KPIs)

### COMMUNICATIONS

4. Maintain an association management system, or independent technology provider of Affiliate's choosing, that has the functionality to adhere to network-wide common data fields, accommodate online payments and registrations, and collects data stipulated through the NAA data governance policy and integrate/ connect with national database system
5. Maintain an interactive website through the NAA unified digital platform or an independent provider that includes the minimum information outlined in the NAA Affiliates Websites Project, to include online application form and clear procedures for joining<sup>[iii]</sup>
6. Promote Click and Lease Program

### STAKEHOLDER EXPERIENCE

7. Offer at least 20 hours of in-person or online education programming annually<sup>[iii]</sup>

### ADVOCACY

8. Arrange meetings with members of Congress during Advocate if present and/or at the local level to coincide with Advocate

## CYCLE TWO: ACHIEVING STANDARDS

### OPERATIONS

1. Submit annual operating budget.
2. Affiliate has established a defined investment policy.

<b>LEADERSHIP AND STRATEGY</b>
3. Association Executive (if applicable) attends AEX Live Conference (formerly AE brainstorming)
4. Coordinate annual Board Orientation (in-person or virtual) that includes NAA benefits for all Board Members.
<b>COMMUNICATIONS</b>
5. Maintain minimum branding standards, including: <ul style="list-style-type: none"> <li>• Use of approved NAA logo and tagline “federated with NAA” included on website, press releases and marketing materials</li> </ul>
<b>CYCLE THREE: EXCELLING STANDARDS</b>
<b>OPERATIONS</b>
1. Submit annual operating budget with: <ul style="list-style-type: none"> <li>• Evidence of a minimum five-year cash reserve of 18%</li> <li>• Five-year minimum average gross profit of .80%</li> </ul>
<b>LEADERSHIP AND STRATEGY</b>
2. All Affiliate Presidents complete a minimum of 10 hours of leadership training annually
3. Establish and submit annual/ semi-annual strategic priorities, metrics, and report on progress towards goals.
4. Define and maintain term limits for Board and Committee Chair positions
<b>STAKEHOLDER EXPERIENCE</b>
5. Capture membership KPIs on an annual basis and report to NAA. Maintain recommended, five-year minimum requirements for KPIs: <ul style="list-style-type: none"> <li>• 73% satisfaction top two score</li> <li>• 34% cost to value top two score</li> <li>• 30 Net Promoter Score Note</li> </ul>
<b>ADVOCACY</b>
6. Establish and realize annual PAC fundraising goal

Dues Structure and Membership Reporting

New Dues Structure for Categories Not Previously Adopted: With the exception of dues or licensing fees for International Association or Members, the Assembly of Delegates, after receiving a 30 days-notice of a special meeting, may establish a dues rate for category not previously adopted. If passed, the dues rate will be effective immediately unless otherwise directed by the Assembly of Delegates. The Assembly of Delegates has delegated the power to establish initial dues or licensing fees for new International Associations to the Board of Directors.

Changes to Dues Structure

A Special Meeting of the Assembly of Delegates will be called and held in conjunction with the

Board Meeting that occurs at Apartmentalize. The Assembly will be notified of the proposed change 30 days prior to this special meeting. If passed, the dues rate changes will be effective no sooner than January 1st of the following year. The current dues structure is contained in Appendix 2.

### Membership Reporting Frequency

Membership revisions (add & drops) shall be submitted not less than monthly. A complete listing of all required information shall be submitted to NAA not less than semiannually. The dates of reporting will be communicated by the Affiliate and Member Engagement Department by May 1 and October 1. If the Affiliates database is connected to NAA, these requirements may be waived provided the information is transmitted in a satisfactory manner.

### Failure to comply with Reporting Requirements

Failure will result in: (i) withholding of payments due to Affiliates by NAA; and/or (ii) termination of all services and privileges.

### Audit

NAA reserves the right to audit the membership roster of any affiliate at any time to ascertain whether the Affiliate is accurately reporting all the respective required information, and that the Affiliate is operating in compliance with the NAA Bylaws and Policies & Procedures. The membership reporting requirements are contained in Appendix 3.

### Annual Certification by Affiliates

Each Affiliate will be required to submit the following documentation certified by their Board of Directors of the Affiliated Association: Membership Service Pledge Appendix 4.

### Education Courses

Each Affiliate that conducts educational courses must promote NAAEI education courses but may use additional noncompetitive educational courses. No educational material will be made available to an affiliate if there is an outstanding delinquent balance on the account of any Affiliated Association.

### Communications

In addition to any communication by NAA to its members, each Affiliate, where feasible shall distribute to members, communications sent to the association by the NAA.

### Publications

The publications and other suitable printed materials, i.e., letterhead, membership certificates, etc., of each affiliated local association shall designate membership in NAA using the style and format established and provided by NAA and place the NAA logo on their publications and mailing materials.

## **Governance**

NAA's governance structure is designed to encourage participation from all members of its network. Our leaders are geographically diverse and bring professional management experience from smaller owner managed businesses, regional companies, and large national companies. Supplier members are represented, as are the association executives of affiliated associations. Each group works closely with the NAA professional staff.

NAA is governed by its Board of Directors and the Assembly of Delegates with input from the

various Committees and Councils that report to the Board, Affiliated Associations and the NAA staff. NAA has divided its membership into geographic regions to ensure that each area is represented. These regions elect delegates who serve in the Assembly of Delegates and Regional Vice Presidents who serve on the Board of Directors. Members from each region meet as a group at each of NAA's national meetings.

## Assembly of Delegates

The Assembly of Delegates approves the dues structure, elects the officers of the association, amends the bylaws, and may reconfigure the regions as circumstances dictate. The Assembly also hears appeals from charter revocations. The Assembly is required to meet each November but may convene at other times as enumerated in these Policies and Procedures. Delegates are expected to attend the (three) NAA (annual) national meetings. Delegates often serve on NAA committees and meet with other delegates from the same region.

Each represented state may appoint one (1) alternate for each of its delegates. International members are not eligible to serve as a delegate. The procedure for allocating, selecting, replacing, and reporting delegates and alternates is contained in Appendix 5 and the delegate replacement form is contained in Appendix 5A.

### Qualifications

All persons appointed to serve as delegates and alternates shall be employees of owner members, or supplier members in good standing, whereas delegate alternates may also include staff of affiliated associations in good standing. An individual may be a delegate or alternate for only one (1) State. Whenever possible, a member, who is not currently serving on the NAA Board of Directors, should be chosen. However, if a region has limited availability in selecting delegates, a member of the NAA Board may be chosen.

### Meetings

The Assembly of Delegates is required to meet at the Assembly of Delegates meeting each November. Special meetings of the Assembly of Delegates may be called by the Chairman of the Board, one-third (1/3) of the members of the Board of Directors or shall be called upon written request of not less than one-third (1/3) of the delegates. The Chairman of the Board shall set the time and place of such special meeting within fourteen (14) days of such action. Notice of a special meeting shall be mailed at least thirty (30) days before the time appointed for the meeting with a statement of time and place and information as to the subject to be considered; provided, however, that such thirty (30) day period may be waived by a determination of the Chairman of the Board, that an emergency exists. The Assembly of Delegates may meet in person or electronically.

### Minutes

Draft minutes of Assembly meetings will be available no later than thirty (30) days after any meeting.

### Voting

The "affiliated association" shall provide credentials for one (1) or more persons to attend the meeting as a delegate or alternate empowered to vote. Delegates may cast only one (1) vote on any one issue.

In the absence of a delegate, an alternate should be selected to replace the absent delegate.

Where a State Affiliated Association Exists – State President or their designee should select an alternate from the same local affiliate to replace the delegate. If an alternate from that affiliate is not available, any alternate from the state may be selected.

Where No State Affiliated Association Exists – Local Affiliate President or their designee should select an alternate from the same local affiliate to replace the delegate. If an alternate from that affiliate is not available, any alternate from the state may be selected.

The NAA staff, under the direction of the Secretary, shall inspect credentials and determine the total number of votes entitled to be cast on any question to be voted upon and preside over voting procedures. Any disputes regarding voting rights will be resolved by an ad hoc committee. This committee will include the Secretary and two members of the Board of Directors appointed by the Chairman of the Board. Upon achieving a quorum, a majority of the authorized votes cast by those present shall govern any action, except where the Bylaws or Robert's Rules of Order specifically require supermajority, including but not limited to Bylaws Amendments, Dissolution of Association, and Changes to Regions.

### Monetary Commitment

Delegates and Alternates are responsible for all expenses to attend the three scheduled meetings.

## Board of Directors

### Authority

Subject to the limitation of the Articles of Incorporation, and the Bylaws, the Board of Directors shall exercise all corporate powers and shall direct and control the business and affairs of the NAA including approval of the Policies & Procedures.

### Duties and Responsibilities

The Board's duties and responsibilities are contained in Appendix 6.

### Meetings

The Board of Directors will meet at governance meetings held in conjunction with the Advocate, Apartmentalize, and Assembly of Delegates. They will also meet at two (2) stand-alone meetings in the winter and fall. Special meetings of the Board may be called at any time by the Chairman, or by notice signed by a majority of the Board and mailed to members of the Board not less than ten (10) days preceding the scheduled time of the meeting. The Board of Directors may meet in person or electronically.

### Minutes

Draft Minutes of Board of Directors' meeting will be available to affiliated associations, Delegates, Alternates, and the Board of Directors no later than thirty (30) days after any meeting.

### Reporting

The Board shall receive a draft copy of all Executive Committee Minutes containing all actions taken in the Boards absence within 15 days of the meeting. The Board shall also receive progress reports on all ongoing projects at each in person meeting of the Board.

### Voting

Each voting member of the Board shall be entitled to one (1) vote. The member of the Board

must be present to vote. No proxies will be allowed.

### Attendance

Board members are expected to attend all regularly scheduled meetings of the Board of Directors. If a Board Member is unable to attend a meeting, they must notify the NAA Chairman or his/her designee stating the reason for such absence. The Chairman of the Board shall have the sole authority to excuse absences by Board Members subject to review by the Board of Directors. Any Board member who fails to attend two regular Board meetings in a calendar year without approval may be removed from the Board.

### Monetary Commitment

Except for the NAA President, members of the Board of Directors shall serve without compensation. Board Members will assume the responsibility for all expenses not reimbursed by NAA to attend the five scheduled meetings. The portions of the expenses that are paid for by NAA are outlined in the NAA Reimbursement Policy in Appendix 7. NAA currently reimburses certain expenses incurred by Directors for affiliate travel within their region.

## Executive Committee

### Authority

Subject to the limitation of the Articles of Incorporation, and the Bylaws, the Executive Committee shall be responsible for the coordination and management of the affairs of the Association between meetings of the Board of Directors.

The Executive Committee, without prior approval of the Board of Directors, may authorize additional unbudgeted spending up to 3% of the annual budget, per year in aggregate, in circumstances deemed necessary for the operation of the Association. Any spending so authorized will be reported to the Board of Directors within three (3) days after granting such authorization.

### Duties and Responsibilities

The Executive Committee duties and responsibilities are as follows:

- The actions of the Executive Committee shall at all times be consistent with the Bylaws and Policies & Procedures of the Association and are subject to review and approval by the Board of Directors.
- Coordination and management of the affairs of the Association between meetings of the Board of Directors.
- Upon discovery that an affiliated association has operated in violation of the Association's Bylaws and/or Policies & Procedures, the NAA President and the Executive Committee shall communicate with the affiliate to attempt to bring the affiliate into compliance. If that effort is unsuccessful, the matter will be referred to the NAA Board of Directors for action.

### Meetings

The Executive Committee meets at the call of the Chairman of the Board or by request of at least two members of the Executive Committee.

### Quorum

A quorum at any Executive Committee Meeting shall exist when the number of members present at a meeting equal at least fifty-one percent (51%) of the total number of voting

members.

### Minutes

The Board shall receive a draft copy of all Executive Committee Minutes containing all actions taken in the Boards absence within 15 days of the meeting.

### Voting

Each voting member of the Executive Committee shall be entitled to one (1) vote and must be present to vote. No proxies voting will be allowed. When, in the judgment of the Chairman, it is inexpedient to call a special meeting, the Chairman may authorize a vote by mail, email, other electronic means or telephone. The question presented shall be determined according to a majority of the votes received within 5 days after such submission to the Executive Committee; provided that in each case, votes of at least fifty-one percent (51%) of the number of Executive Committee members shall be received.

## Elections

### Officers:

New officer candidates may self-nominate and are required to complete the NAA Officer Application for consideration. If a current officer wishes to remain on the executive committee and is seeking to move up to the next officer position, they may complete the Officer Declaration Form.

### Officer Qualifications

- An individual must have served for two (2) full calendar years as Regional Vice President, at-large member of the Board of Directors or Chairman of a Committee
- Each officer must be either an owner, developer, builder, or operator currently serving in a senior level capacity in the rental housing industry who is employed by or a representative of a member in good standing.

The Nominating Committee shall recommend a slate of Officers in accordance with the procedures in Appendix 8, officer application and officers declaration form.

Once the Nominating Committee has convened its first meeting, no person who served on the committee for that year may be considered for nomination.

### Regional Vice Presidents (RVP)

New candidates for Regional Vice Presidents may self-nominate and are required to complete the NAA Regional Vice President Application for consideration. If a current RVP is running for re-election, they may complete the RVP Declaration Form.

The Regional Vice Presidents of NAA are specified in the Bylaws and serve as members of the Board of Directors. Each region shall elect one RVP. The status of additional Regional Vice Presidents will be reviewed annually based upon the previous year's dues paid (as outlined in the Section for calculating the number Delegates per Region). If there is a reduction in RVPs for a Region, the non-voting RVP shall automatically be terminated from such office effective December 31 and the most junior RVP shall become the non-voting member. In cases where equal seniority exists, the region shall determine the method by which the voting and non-voting member shall be determined. If there is an increase in RVPs for a Region, the non-voting RVP

shall automatically be elevated to a voting member effective January 1 and an election will be held to fill the vacant position.

\*Dues received from international members will not be used in the calculation to determine Regional Vice President positions.

### Qualifications

- All nominees must be either an owner, developer, builder, or operator currently serving in a senior level capacity in the rental housing industry.
- All nominees must be employed by or a representative of a member company in good standing.
- All nominees must be knowledgeable, experienced, and demonstrated commitment to NAA through service to NAA's Board of Directors, Assembly of Delegates, committees and/or affiliates.
- All nominees must have prior participation in NAA committees and/or local affiliated associations.
- All nominees must have been in leadership roles at NAA or at the state and/or local level or relevant professional experience or volunteer experience. No Regional Vice President (Voting or Non-Voting) shall be eligible after serving eight (8) years.

### RVP Applications and Elections

RVP applications and elections shall be in accordance with the procedures outlined in Appendix 9. Except for the replacement of an RVP, the Election of RVPs shall be conducted by the regions at their regional meeting held in conjunction with the Apartmentalize conference. Odd numbered regions will elect their RVPs to begin their term on January 1 of odd calendar years. Even numbered regions will elect their RVPs to begin their term on January 1 of even calendar years.

### Voting

The affiliated association shall provide credentials for one (1) or more persons to attend the meeting as a delegate or alternate empowered to vote. Each voting member shall be entitled to one (1) vote per available position and must be present to vote. No proxy voting will be allowed. If a vacancy occurs for a Regional Vice President, the Region may hold a special election and electronic voting may be permitted. In the absence of an appointed delegate, an alternate delegate from the state or affiliate may vote. In special elections to replace RVPs, the region may vote by mail, email, other electronic means, or telephone. The election shall be determined according to a majority of the votes after five days after such submission to the Region; provided that in each case, votes of at least fifty-one percent (51%) of the Delegates shall be received.

### Vacancies

If, during their term of office, the member employing the Regional Vice President is no longer in good standing or the Regional Vice President is not employed by a member in good standing, the Regional Vice President will be automatically terminated from such office unless, within one hundred twenty (120) days, such Regional Vice President becomes a member or is employed by an owner/operator member in good standing. If the Regional Vice President relocates outside the Region (based on where they work), they will be automatically terminated from such office.

When a voting Regional Vice President resigns, moves outside the Region, or their term terminates under the Bylaws, the Non-voting RVP will automatically become the voting RVP for the unexpired term.

## Committees, Task Forces and Working Groups

NAA uses committees to allow greater discussion and analysis of issues where time restraints would limit discussions in meetings of the Board of Directors.

A listing and description of duties of all Committees, Task Forces and Working Groups can be found in Appendix 10.

### Committee Chairman and Vice Chairman

Subject to the exceptions listed below, the NAA Chairman of the Board shall appoint the Chairperson and Vice Chairperson of each committee. No paid staff employee of NAA or any Affiliated Association may serve as a Chairperson of any committee or Task Force.

#### **Exceptions**

- Nominating Committee – Immediate Past Chairman
- Governance – Immediate Past Chairman
- Budget and Finance Committee – Treasurer
- Conference Committee – Appointed by the Chairman for the Conference held during their term.
- Hall of Fame Selection Committee – Immediate Past Chairman
- Lifetime Achievement Award Selection Committee – Immediate Past Chairman

### Committee Members

Committee members will be appointed in accordance with Appendix 11.

### Authority

Subject to the limitation of the Bylaws or Policies and Procedures and actions by the Nominating Committee or Award Selection Committees, any action taken by any Committee, Task Force or Working Group shall be subject to review and approval by the Executive Committee and/or the Board of Directors.

### Meetings

Committees, Task forces or Working Groups will meet at the call of the Chairman of the Committee, Task force or Working Group.

### Quorum

A quorum at any group shall exist when the number of members present at a meeting equal at least fifty-one percent (51%) of the total number of voting members.

### Minutes

Draft Minutes of their meetings will be available to the members, Executive Committee and Board of Directors no later than thirty (30) days after any meeting.

### Voting

Each voting member of the group shall be entitled to one (1) vote. The member of the group must be present to vote. No proxy voting will be allowed. In the absence of an appointed committee member, an alternate may vote. When, in the judgment of the Chairman, it is inexpedient to call a special meeting, the Committee may authorize a vote by mail, email, other electronic means or telephone. The question presented shall be determined according to a majority of the votes after five (5) days after such submission to the Committee; provided that

in each case, votes of at least fifty-one percent (51%) of the number of Committee members shall be received.

### Study Groups

The Chairman of a Committee may appoint a group made up exclusively of member of their committee to study an issue and make recommendations to the full committee.

### Outreach

NAA shall maintain a list of all committees on the Website. In July, the staff shall email all Delegates, Alternates, existing Committee Members, Association Executives, Local Leaders and Board Members to inform them of the committees that will be utilized for the following year. The email will direct them to indicate their interest in serving on a committee and request that they complete a committee volunteer form.

### Attendance

Committee Members, task forces and working groups are expected to attend all regularly scheduled meetings of their committee. (One each in conjunction with the Advocate, the Apartmentalize and the Assembly of Delegates Meeting and any specially called meeting by the Chairperson of the Committee). If a Committee Member is unable to attend a meeting, they must notify the staff liaison stating the reason for such absence. The Chairperson of the Committee shall have the sole authority to approve absences by Committee Members subject to review by the Board of Directors. Any Committee member who fails to attend two meetings, whether in person or by conference call, without approval, may be removed from the Committee by the Chairman of the Board for excessive absences. Notice of attendance by current committee members will be provided to the Regional Vice Presidents along with the names of interested volunteers for the upcoming year.

## **Councils, Institutes, Boards, Societies, and Foundations**

### Creation

Councils, Institutes, Boards, Societies, and Foundations, or any other such entities, may be established only by majority vote of the of the NAA Board of Directors. These entities must provide appropriate policies and bylaws, which are subject to the approval of a majority of the Board of Directors of NAA.

### Governance

These entities are governed by their own bylaws and policies and procedures, which are subject to the approval of a majority of the Board of Directors of NAA. The NAA Board of Directors shall have the authority to modify the policies and bylaws of these entities.

#### NAA has the following Councils and Institutes:

National Supplier Council (NSC)  
Association Executives Council (AEC)  
NAA Education Institute (NAAEI)

### Authority

Subject to the limitation of the NAA's bylaws or policies and procedures, any action taken by any Councils, Institutes, Boards, Societies, and Foundations shall be subject to review and approval by the Board of Directors.

# Management of the Association

## President

The Board of Directors shall employ a salaried Chief Administrative Officer who shall be titled President and whose terms and conditions of employment shall be specified by the Board of Directors. After the initial hiring of the President, the Board of Directors delegates the authority for performance reviews, compensation reviews and oversight to the voting members of the Executive Committee.

## Duties of President

The President shall be responsible for the management of the Association in accordance with the budget, programs, and Policies & Procedures established by the Board of Directors. The President shall employ all staff members and direct the activities of the staff and shall perform such other duties as directed by the Board of Directors.

## President's Compensation

The Board of Directors shall establish budgetary guidelines for the hiring of the President.

## Bonus Program

Annually, the President may develop a bonus and incentive program for all employees that shall be approved by the voting members of the Executive Committee.

## Succession Plan

If the President position is vacant, the Chairman of the Board will invoke the NAA President and CEO Succession Plan attached as [Appendix 12](#).

## Termination

A decision to terminate the President will be made by the Board of Directors in accordance with the procedure outlined in the NAA President and CEO Succession Plan.

# Financial

## Fiscal Period

The fiscal period of the Association shall be January 1 through December 31.

## Budget

The Board of Directors shall adopt, in advance of the next fiscal year, annual operating and capital budgets. The annual budgets shall be presented to the Board of Directors at the Assembly of Delegates meeting in November for approval. The budget may be adjusted during the year only if approved by the Board of Directors, with the following exception: The Executive Committee, without prior approval of the Board of Directors, may authorize additional unbudgeted spending up to 3% of the annual budget, per year in aggregate, in circumstances deemed necessary for the operation of the Association. Any spending so authorized will be reported to the Board of Directors within three (3) days after granting such authorization.

## Collection

NAA shall have the right to suspend the delivery of products or services if there is an outstanding delinquent balance on the account of any Affiliated Association over 60 days in accordance with the Bylaws. Failure to remit sums due to NAA, within ninety (90) days after the same shall become due will result in charter termination upon written notice thereof without the necessity of conducting a vote by the Board of Directors. The Board of Directors, by majority

vote, may waive the termination of membership for up to two (2) additional consecutive ninety (90) day periods.

#### Audit

The financial statements of the Association shall be audited annually by a certified public accountant who shall provide an audited financial statement to the Board of Directors.

#### Reimbursement

Reimbursements for travel expenditures will be made in accordance with the Reimbursement Policies in Appendix 7.

#### Special Funds

The NAA Board of Directors may authorize the establishment of Special Funds by a majority vote. When funds are established, the Board shall set forth the rules for accessing such Funds. The Funds the Board has established are listed in Appendix 13.

#### Reporting

The organization shall prepare financial reports monthly. All reports are finalized no later than 15 days after the close of the prior month with the exception of December financials and delivered monthly to the Executive Committee and Budget and Finance Committee and quarterly to the Board of Directors.

#### Reserves

The Association shall maintain reserves as identified in the Reserve Policies attached in Appendix 14.

#### Investment Policy

The Association has established a policy for governing their funds. All funds shall be placed or invested in accordance with the policies contained in Appendix 15 and Appendix 15A.

#### Disaster Response Plan

The NAA Board of Directors approved a disaster response plan in accordance with the policies contained in Appendix 16.

#### IRS Form 990

The Board of Director directs the Executive Committee to review and approve a copy of the IRS Form 990 before it is filed.

## Communications

#### Logos

State and local affiliates may use the NAA Logo on their letterhead, envelopes, business cards, magazine, applications, brochures, newsletters, trade show booths and display materials.

Any member in good standing may use NAA's trademark logo on their business stationery, cards, or other business material indicating their membership in NAA (e.g., "Proud Member of NAA or "Member NAA"). No member shall use NAA's logo in any way that would imply NAA's endorsement of the member or its products or services. Any abuse or violation of this Policies will result in revocation of this license.

#### Data Use and Sharing Policies

The data collected by NAA is to be used to augment communications efforts within the industry.

This would include current, past, and potential members. Additionally, the information obtained would be used to aid in the development of industry best practices as well as research. The Data Use and Sharing Policies is contained in Appendix 17.

### Communication with Current and Potential Members

NAA may use current and past membership data to communicate with current and potential members of NAA consistent with its purposes and objectives.

## Miscellaneous

### Contracts

It shall be the Policies of the National Apartment Association (NAA) for the President, or their designated representative, to sign all contracts for NAA. Contracts that: (i) Create strategic alliances (ii) extend for a period beyond three years including renewals; (ii) involve an exclusive arrangement with a Member; or (iii) include an endorsement by NAA shall be reviewed by the General Counsel and presented to the Executive Committee for review and approval. It is not the intent to require routine business contracts (such as for office equipment, office systems or services, speakers, meetings, etc.) to be reviewed or approved by the Executive Committee unless they exceed any operating or capital expenditure budget for such items.

### Government Action and Litigation

Any notice of material action by a governmental agency or material potential litigation against the Association shall be reported to the Executive Committee.

### Conflicts of Interest

All employees and members of the Board of Directors are expected to use good judgment, to adhere to high ethical standards, and to act in such a manner as to avoid any actual or potential conflict of interest. A conflict of interest occurs when the personal, professional, or business interests of an employee or Board member conflict with the interests of the organization. Both the fact and the appearance of a conflict of interest should be avoided.

Upon or before hire, election, or appointment each employee and Board member must sign a Conflict-of-Interest Form disclosing all direct or indirect financial interests that could potentially result in a conflict of interest. Examples include employer, business, and other nonprofit affiliations, and those of family members or a significant other. This written disclosure is shown in Appendix 18 and will be kept on file and will be updated annually and as needed.

Employees and Board members must disclose any interests in a proposed transaction or decision that may create a conflict of interest. After disclosure, the employee or Board member will not be permitted to participate in the transaction or decision should there be any dispute as to whether a conflict of interest exists: (i) The President shall determine whether a conflict of interest exists for an employee and shall determine the appropriate response. (ii) The Executive Committee shall determine whether a conflict of interest exists for the President or a member of the Board and shall determine the appropriate response.

### Policies Required

NAA shall continue to maintain the following policies:

- Accounting procedures manual.
- Privacy policies.
- Data security policies.
- Document destruction policies.
- Whistle blower policies.

- Key employee compensation policies, and
- Any other policies as required by the IRS for 501C-6 corporations.

### Review of Bylaws and Policies and Procedures

NAA shall review the Bylaws and Policies and Procedures should be reviewed as needed, but not less than once every 3 years.

### Robert's Rules of Order:

Unless otherwise prohibited by these bylaws, Robert's Rules of Order shall govern the conduct of all meetings of the National Apartment Association and its' related entities.

## Awards & Recognition

### Hall of Fame Award

NAA has established the Hall of Fame Award to recognize owner/managers from the Rental Housing Industry for their long-term history of exemplary national service and accomplishments to both the National Apartment Association and the industry. The process for selecting Hall of Fame recipients is contained in Appendix 19.

### Lifetime Achievement Awards

NAA has established the Lifetime Achievement Awards to recognize the contributions of our supplier partners and our association staff for their long-term history of exemplary national service and accomplishments to both the National Apartment Association and the Rental Housing Industry. The process for selecting Lifetime Achievement Award recipients is contained in Appendix 20.

### Excellence Awards

NAA's Excellence Awards, or Excels, recognize excellence and leadership in the rental housing industry. Excels celebrate communities, industry professionals and affiliated apartment associations who make unique contributions to the industry. For the winners, receiving an Excels award represents milestones and outstanding achievement. Individuals and companies can enter from eight award categories: Affiliate; Anthony V. Pusateri; Best Places to Work; Diversity & Inclusion; National Supplier Achievement; Individual Achievement; and Innovation. The winners will be formally recognized at the Apartmentalize Excellence Awards Reception. The call for entries is held in December, with a deadline submission in January. For each category of awards, the judges are industry experts. Criteria for all categories is reviewed annually and is subject to change.

### Past Chairman and Emeritus Director

NAA has established a recognition category titled Past Chairman of the Board to recognize the contributions of individuals who have served as Chairman of the National Apartment Association.

NAA has established a recognition category titled Emeritus Director to recognize individuals who have served on the Board of Directors for eight (8) or more years. Appendix 21

## Appendix 1: Criteria and Procedures for Granting Charters

### Local:

To qualify for charter status, a local association shall submit the necessary fees and a formal written application to the NAA, signed by the president of the applying association, and attested to by the secretary of such applying local association as having been approved by its local Board of Directors, and certifying:

- That the jurisdiction requested by such association does not conflict with the jurisdiction of an existing chartered local association or state association;
- That the applying association will submit to NAA, a membership list including all members of any category for which the local affiliate will remit dues to NAA. Such lists shall be submitted to NAA semiannually. Membership lists shall include each member's contact name, management-company, and property name, as appropriate, address, telephone and fax number, email address, number of units owned or managed, and classification of membership. Such membership lists shall not be used by the NAA, its staff, officers, or contractors in any way other than official mailings of NAA unless otherwise authorized by a two-thirds (2/3) vote by the Board of Directors;
- That such local association represents the rental housing industry in the jurisdiction applied for, and is comprised of not fewer than twenty (20) members in good standing of which at least ten (10) shall be owners, builders, or developers of rental housing property, or companies that manage rental housing property;
- That an opportunity be given to all present members of the NAA within the requested Jurisdiction to become members of such local association, provided such members meet the membership requirements of such local association;
- That the bylaws of the applying association do not conflict with the aims and purposes of NAA. Copies of the applying local association's bylaws shall be forwarded to NAA for its prior approval;
- If a chartered state association exists in the state of the applying local association, NAA shall consult with the state association prior to any consideration by the NAA Board of Directors. If a charter is granted by NAA, the new affiliate shall agree to become a member of the currently chartered state affiliate within one (1) year after the charter is granted; and (2) become a member within one (1) year after NAA charters any future state association.
- That a completed application and corresponding materials are received from the applying association, in addition to a non-refundable \$250 charter application fee.
- That the local affiliate will comply with the terms of the NAA Member Service Pledge.
- That such local association agrees to promote NAA goods and services to members and encourage member participation in NAA.
- The territory assigned to any chartered Local Affiliate may be revised by NAA at any time. The chartered State Association may request the NAA Board of Directors to conduct this revision or to review its decision.
- Increases or reductions in the area of jurisdictional rights regarding membership in NAA, approved by a majority vote of the Board of Directors of NAA, shall be binding upon the chartered local association provided a minimum of at least thirty (30) days-notice of the proposed change has been given the chartered local association and said association has had an opportunity to comment or protest the pending action before the NAA Board of Directors.

## **Communications**

Each Affiliate, where feasible, shall distribute to members for whom they pay dues, communications sent to the association by the NAA.

## **Education Courses**

Each Affiliate that conducts educational courses must promote NAAEI education courses but may use additional noncompetitive educational courses. No educational material will be made available if there is an outstanding delinquent balance on the account of any Affiliated Association.

## **Membership Lists**

Member Lists shall be submitted to NAA semi-annually. Revisions shall be submitted monthly. Membership lists shall include each member's contact name, management-company and property name, as appropriate, address, telephone and fax number, email address, number of units owned or managed, and classification of membership. Such membership lists shall not be used by the NAA, its staff, officers, or contractors in any way other than official mailings of NAA unless authorized by a two-thirds (2/3) vote by the Board of Directors.

## **Member Service Pledge and Compliance Checklist**

State and local associations affiliated with the National Apartment Association are required to submit the *Member Service Pledge* and *Compliance Checklist* form on an annual basis. NAA agrees to also submit the Compliance Checklist on an annual basis and provide it to its affiliated associations. (*Membership Pledge included*).

## **Roster Reporting Form**

Twice per year, NAA affiliates are required to submit a roster reporting form, identifying the number and classification of members.

Failure to comply with submitting the semi-annual affiliate roster will be handled in the same manner as failure to pay dues in Article V Section 3 of the NAA Bylaws.

NAA reserves the right to audit the membership roster at any time to ascertain whether the Affiliate is accurately reporting all the respective required information, and that the Affiliate is operating in compliance with the NAA Bylaws and Policies & Procedures.

## **Publications**

The publications and other suitable printed materials, i.e., letterhead, membership certificates, etc., of each Affiliated Local Association shall designate membership in NAA using the style and format established and provided by NAA and place the NAA logo on their publications and mailing materials, if appropriate.

## **State**

To qualify for charter, the state association shall submit to NAA a formal written application, together with charter fees and other applicable fees, signed by the President and Secretary of the applying association, and certifying:

- That the state association's board of directors has approved the application.
- That the bylaws of the applying state association do not conflict with the Bylaws of NAA.
- Copies of the applying state association's bylaws shall be forwarded to NAA for its

- prior approval.
- That the State Affiliate must be incorporated or registered with the state.
- That existing NAA Affiliates within the state either already are or will become members of the new state association within one year, as evidenced by a letter written by the existing Affiliate's Board of Directors.
- That the state association would meet at least once each year either in person or telephonically (virtual meeting).
- That the state affiliate will comply with the terms of the NAA Member Service Pledge.
- That the state association agrees to promote NAA goods and services to members and encourage member participation in NAA.

A new Affiliate cannot apply for a state charter during the first year of membership with NAA.

Other associations may be accepted in an area or any portion thereof upon submission to the NAA of an instrument in writing signed by the president and secretary and approved by the board of directors of the existing chartered state or local association in the area specifically waiving their exclusive jurisdiction over that area or any portion thereof with regard to a specific applicant association. All such applications must have the approval of a majority of the Board of Directors of the NAA.

### **Communications**

Each chartered state association, where feasible, shall distribute to members for whom they pay dues communications sent to it by the NAA.

### **Education Courses**

Each chartered state association that conducts educational courses must promote NAAEI education courses but may use additional noncompetitive educational courses. No educational material will be made available if there is an outstanding delinquent balance on the account of any Affiliated Association.

### **Membership Lists**

In the case where any member is only a member of the State Affiliate, the state association shall include such members on a membership list and shall be submitted to NAA semiannually. All directives required by Affiliates are also required of state affiliates with members who are not represented by local Affiliates.

Such membership lists shall not be used by the NAA, its staff, officers, or contractors in any way other than official mailings of NAA unless authorized by a two-thirds (2/3) vote by the Board of Directors.

### **Member Service Pledge**

State and local associations affiliated with the National Apartment Association are required to submit the *Member Service Pledge, Appendix 4* on an annual basis.

### **Publications**

The publications and other suitable printed materials, i.e., letterhead, membership certificates, etc., of each chartered state association shall designate membership in NAA using the style and format established and provided by NAA and place the NAA logo on their publication and mailing material, if appropriate.

## **International**

To qualify for charter, the international association shall submit to NAA a formal written application, together with charter fees and other applicable fees as outlined below: International Associations representing rental housing companies can join NAA as an "International Affiliate" and pay an application fee of \$250 USD.

The applying association must submit all the required documentation outlined on the Affiliate Charter Application. The International Affiliate must pay the base dues rate, as established by the Assembly of Delegates, for management company, property, supplier/vendor or other member. There is no per unit fee charged, but the total number of units represented must be reported by the association.

International Affiliates will be assigned a region by the Membership Committee at the time the charter is approved. The Affiliate will not be assigned a delegate, and will not have representation at the Assembly of Delegates, beyond that of the Regional Vice President

## Appendix 2: Dues and Licensing Fees

### US Dues Structure

Dues payment by State and Local Affiliates paid to NAA for owners, developers, and property managers (“Industry Members”) will be paid on all rental-housing units that are owned or managed by that member. There will be no per member fee paid in concert with the per unit fee. The per unit fee for Industry Members will be \$0.47 per rental housing unit.

Dues payment by all State and Local Affiliates paid to NAA for Associate Members (suppliers) will be an annual member fee of \$30 per Associate Member.

Dues payment by Industry Members or Associate Members who are not located within the geographic area of an existing State or Local Affiliate (“Direct Members”), will continue to pay an annual membership fee directly to NAA of \$125.00 per member and \$0.75 per rental housing unit, owned or managed.

### Dues & Licensing Fees

#### United States Dues Structure

The Assembly of Delegates has established the following dues structure:

- **Local Affiliates**
  - Industry Members – The following dues structure, effective January 1, 2021, and continuing through January 1, 2025, are the dues owed per rental housing unit for that year. Dues will be paid on all such units without regard to local affiliate dues caps.
    - 2021 \$0.49
    - 2022 \$0.50
    - 2023 \$0.51
    - 2024 \$0.53
    - 2025 \$0.54
  - Associate Members (suppliers) – \$31 per Associate Member.
- **State Affiliates**
  - Where Local Affiliate pay dues – There will be no dues collected for membership.
  - Where membership dues are not paid by Local Affiliates:
    - Industry Members - \$ .49 per rental housing unit. The following dues structure, effective January 1, 2021, and continuing through January 1, 2025, are the dues owed per rental housing unit for that year. Dues will be paid on all such units without regard to local affiliate dues caps.
      - 2021 \$0.49
      - 2022 \$0.50
      - 2023 \$0.51
      - 2024 \$0.53
      - 2025 \$0.54
    - Associate Members (suppliers)- \$31 per Associate Member
- **Direct Members**
  - Industry Members – \$125.00 per member and \$0.75 per rental housing unit, owned or managed.

**NSC Member** – \$1,700.00 per member. Dues shall be paid annually in advance, directly based on anniversary date.

**Dues & Licensing Fees Outside United States**

The Assembly of Delegates has delegated the power to establish initial dues or licensing fees for new International Associations to the Board of Directors.

- **Nova Scotia**

- Industry Members –
- 2021 \$0.49
- 2022 \$0.50
- 2023 \$0.51
- 2024 \$0.53
- 2025 \$0.54

per rental housing unit. Dues will be paid on all such units without regard to local affiliate dues caps.

- Associate Members (suppliers)- \$31 per Associate Member.

- **Direct Members**

- Industry Members – \$125.00 per member and \$0.75 per rental housing unit. Dues will be paid on all rental housing unit, owned or managed by the member.
- NSC Member – \$1,700.00 per member. Dues shall be paid annually in advance, directly based on anniversary date.

## Appendix 3: Membership Reporting

All rental housing units owned or managed by an owner, developer, or property manager (Industry Members), that are members of an Affiliate, will be reported to the National Apartment Association and dues will be paid on all such units without regard to local affiliate dues caps.

All communities owned or managed by Industry Members that employ on-site administrative staff will be reported to the National Apartment Association. Affiliates will report the name of the property, address, phone, fax, and email information to the extent known. This information will be utilized in order to provide a copy of *Units* magazine and other NAA information to each of these locations.

The owner, property management-company, key personnel, and regional manager for rental housing units for which dues have been paid to NAA will all be members of the NAA with regard to services provided to such units. Affiliates should report the name, address, phone, fax, and email information to the extent known. This information will be utilized in order to provide a copy of *Units* magazine and other NAA information to each of these individuals.

All Associate Members (suppliers), who are members of a State or Local Affiliate, will be reported to the National Apartment Association.

### Information to be provided

#### **Unit Count**

All number of rental housing units owned or managed by an owner, developer, or property manager (Owner Members) without regard to all local affiliate dues caps.

#### **Membership Counts**

NAA affiliates are required to submit a roster reporting form, identifying the names and business addresses, phone numbers, fax numbers and emails addressees and classification of the members.

#### **Properties**

Affiliates will report the name and number of units of all communities owned or managed by Members that employ on-site administrative staff and their address, phone, fax, and email information to the extent known.

#### **Employees**

Affiliates should report the names and business addresses, phone numbers, fax numbers and emails addressees to the extent known.

#### **Supplier Members**

Affiliates should report the names of all Supplier Members, who are members of a State or Local Affiliate, will be reported to the National Apartment Association and their address, phone, fax, and email information to the extent known.

## Appendix 4: National Apartment Association Member Service Pledge

This Member Service Pledge is being made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ between the National Apartment Association (NAA) and the \_\_\_\_\_, an Affiliated Association of NAA. Our members are the property owners, property managers, builders, developers, and suppliers of rental housing. Both the National Apartment Association on a national level and [Affiliated Association's Name] on a [State/Local] level commit to provide goods and services to our members in a professional manner to assist them in advocating, communicating and education for the apartment industry.

### What our members can expect from NAA

NAA agrees to assist our members by providing, as requested, in a manner consistent with NAA's Bylaws and Policies & Procedures, the following services:

- a. Legislative and regulatory information and advocacy.
- b. National public relations activities and information.
- c. Association governance and leadership support.
- d. Assistance in developing and presenting educational programs.
- e. Current information about industry issues.
- f. Liaison with HUD, the Internal Revenue Service, the Federal Election Commission, or other Federal agencies desired by the Affiliated Association.
- g. Membership development assistance.
- h. Access to all programs and products of the National Apartment Association Education Institute including the designation programs of CAM, CAMT, CAPS, CAS, NALP as well as non-designation education products.
- i. The use of the name and any and all trademarks or service marks, which NAA owns to assist the affiliated association's representation of our members.

### What our members can expect from Affiliated Associations.

- a. Development and delivery of valuable products and services to meet the needs of local members.
- b. The Affiliated Association shall take all appropriate action to sustain and promote membership growth.
- c. The Affiliated Association shall develop procedures to ensure that the interests of its members are represented.
- d. Delivery of NAA/NAAEI products and services, as well as other locally administered continuing education programs.
- e. Compliance with NAA's Bylaws and Policies & Procedures.
- f. Collection of member dues and accurate reporting to NAA according to the NAA dues formula.
- g. Provide basic monitoring and advocacy on government activities in their jurisdictions to the extent possible.
- h. Encourage member involvement in the political process on behalf of the industry.
- i. The Affiliated Association shall regularly share with NAA, state and local government activities to the extent possible.

**What our members can expect from NAA and [Affiliated Association’s Name]**

- a. An organizational structure that facilitates delivery of goods and services.
- b. Financial Integrity, maintenance of books and records available for inspection by our members.
- c. Insurance policies designed to protect our members and the assets of our respective organizations, as appropriate.
- d. Compliance with all applicable laws and regulations.

**Relationship of the Parties**

- a. The Affiliated Association shall remain in good standing and in compliance with NAA Bylaws and Policies & Procedures.
- b. NAA and the Affiliated Association are not and shall not be considered joint ventures, partners, legal representatives, or agents of each other. At no time shall either party represent itself to be acting in any of these capacities. Except as provided in this Pledge, the Affiliated Association shall conduct its business and activities according to its sole judgment and discretion.
- c. Neither NAA nor the Affiliated Association shall have the right to obligate the other party in any manner and shall not make or represent that is has the power to make any agreement, express or implied on behalf of the other.
- d. Neither NAA nor the Affiliated Association shall be liable for any act or omission, or for any debt or other liability of the other.

**Association Obligations**

- a. To ensure that each National, State, and Local organization is meeting its obligations to our members, NAA and the [Affiliated Association’s Name] agree to certify annually that it continues to operate in compliance with NAA’s Bylaws and Policies & Procedures.
- b. Upon failure to submit an annual compliance checklist or if the responses are incomplete, NAA, upon request of the NAA Board of Directors, may contact the Affiliated Association to ask if they are experiencing problems and to offer assistance with any issues and/or challenges they may have.

IN WITNESS WHEREOF, the parties hereto have caused this Pledge to be executed by their duly authorized representative.

NATIONAL APARTMENT ASSOCIATION

By: \_\_\_\_\_

\_\_\_\_\_ DATE

(AFFILIATED ASSOCIATION)

By: \_\_\_\_\_

\_\_\_\_\_ DATE

# Appendix 5: Allocation, Selection, Replacement, and Reporting of Delegates and Alternates

## Allocation of Delegates

Each year during Apartmentalize, the delegate allocation will be announced for the next calendar year.

## Number & Allocation of Delegates

The total Number of Delegates will be two hundred and fifty (250).

1. Each state is entitled to one delegate plus one delegate for the District of Columbia;
2. Additional Delegates. The remaining one hundred and ninety-nine (199) delegates will be allocated based on the following formula:
  - a. States will be allocated additional delegates based upon the percentage of national dues actually billed and paid for the period of May 1st of the previous year through April 30th of the current year.
  - b. Only dues billed and received prior to the end of the twelve-month period ending April 30<sup>th</sup> will be counted;
  - c. Dues payments received for other billing periods will not count towards the calculation;
  - d. All national dues paid by an affiliate or direct members will be attributed to the state in which the affiliate is chartered by the formula approved when the charter was issued or where the direct member's property is located.
  - e. International members will not receive any delegates, and as such, dues paid by international members will not be used in the calculation of delegates.
3. An alternate may be appointed for each voting delegate.
4. An individual may be a delegate for only one (1) association.

## Selection and Reporting

Delegates and Alternates shall be reported to NAA by **December 1 (if names are not received by December 1, a loss of delegates for that state and subsequently the region will occur- approved June 2019)** of each year for the following year using the following selection process:

1. Where State Affiliated Association Exists. The State Affiliated Association shall inform all local affiliated associations of the number of delegate positions available for the state. Each state may establish a process for apportioning their delegates and alternates within their boundaries. Absent a process, the delegates and alternates will be chosen by each State Affiliated Association.
2. Where No State Affiliated Association Exists. NAA shall apportion the delegates to the Local Affiliated Associations based on the dollar amount of dues paid by each Local Affiliated Associations within the State.
3. Where No State Affiliated or Local Affiliated Associations Exists. The NAA Chairman of the Board shall appoint a direct member employee (from within the state) to represent the state.

## Replacement of Delegates and Alternates

Any delegate or alternate may be replaced by completing a Delegate / Alternate Replacement Form as shown in **Appendix 5A**. The replacement of Delegates and Alternates must be approved by the following individuals:

1. Where State Affiliated Association Exists- State President or their designee.
2. Where No State Affiliated Association Exists- LocalAffiliate President or their designee.

3. Where No State Affiliated or Local Affiliated Associations Exists- NAA's Chairman of the Board. Regional Vice Presidents shall be notified of all changes. If replaced, the new Delegate or Alternate is ineligible to vote until thirty (30) days after the receipt of the form by NAA.

Additional delegate duties:

- Encouraged to attend the meetings held in conjunction with the governance meetings at Advocate, Apartmentalize and are required to attend the Assembly of Delegates;
- Report regional activities to the Regional Vice Presidents.
- Actively support and promote all NAA programs, products, meetings and conferences;
- Assist NAA's efforts to grow membership within their area;
- Familiarize themselves with issues of importance and communicate these issues to NAA members in their respective area;
- Bring questions and/or concerns from their area to the Board of Directors;
- Support the NAA Bylaws and Policies & Procedures;
- Assist in finding members from their area to serve on Committees and leadership positions; and
- Respond to member questions and needs.

# Appendix 5A: Delegate Replacement Form



Delegate Replacement Form:

Date: \_\_\_\_\_

Region #: \_\_\_\_\_

Requested by: Name: \_\_\_\_\_

Title: \_\_\_\_\_

Association: \_\_\_\_\_

Current Delegate/Alternate Name: \_\_\_\_\_

Delegate  Alternate

New Delegate/Alternate Name: \_\_\_\_\_

Delegate  Alternate

Approved by:

Association President: \_\_\_\_\_

Regional Vice President: \_\_\_\_\_

Date: \_\_\_\_\_

## **Appendix 6: Duties and Responsibilities of NAA Board of Directors**

Board members have the responsibility and authority for the governance structure of the association. By agreeing to serve, Board Members have the following duties and responsibilities:

1. A fiduciary duty to NAA, including duties of care, loyalty, and obedience.
2. Required to act reasonably, prudently, and in the best interests of NAA; to avoid negligence and fraud; and to avoid conflicts of interest;
3. Read material that is sent and be prepared to discuss items at meeting;
4. Attend all board meetings;
5. Review and approve minutes of meetings;
6. Actively support and promote all NAA programs, products, meeting and conferences;
7. Approve the NAA Policies & Procedures;
8. Assist in efforts to grow membership;
9. When requested, attend local affiliate meetings as a representative of NAA;
10. Bring questions and/or concerns from members, their region, or other parties to the Board of Directors;
11. Support the NAA Bylaws and Policies & Procedures;
12. Respond to member questions and needs.

### **Additional Duties for Regional Vice Presidents**

1. Assist Association Executive regional liaison in obtaining affiliate reports for regional report;
2. Preside over all regional meetings at the 3 National meetings;
3. 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);
4. Make all regional appointments to committees in a timely manner;
5. Assist NAA affiliates within the region in reporting members and units appropriately and encourage affiliates to submit dues on a timely basis;
6. 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;
7. Assist in finding new members within the region to serve in the NAA leadership;
8. Recruit persons to participate in NAA activities.

## Appendix 7: Board Member Expense Reimbursement Policy

Normal and reasonable expenses for travel to the five annual NAA Board of Directors meetings will be reimbursed for the following members of the NAA Board:

- Executive Committee (*Officers, Immediate Past Chairman*)
- Regional Vice Presidents (*voting and non-voting*)
- Other Board Members (*Standing Committee Chairs, at-Large appointments and the NSC Chairman and AEC President*)

Additionally, travel expenses for the NAA Chairman's spouse (to attend the five Board meetings) are also reimbursable up to \$5,000 annually. A 1099 will be issued for spousal airfare reimbursed by NAA.

### Allowable 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. \*21-day advance purchase
- Lodging Expenses – Room, tax, parking, non-optional charges (e.g. resort fees)  
NAA will notify each Board Member on the number of nights NAA will pay when they receive notice of the meeting. Any hotel nights for Board Members who must arrive early or depart late because of the meeting schedule or location will also be paid. Any hotel nights and expenses in excess of the time frame established above will be the responsibility of the Regional Vice President or Board member.
- Other Expenses – Meals not provided by NAA and other out-of-pocket expenses during the duration of the meeting
- 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. (*See below travel policy for Regional Meetings*)

### Expense Reimbursements:

**Itemized** receipts (copies or pictures of the receipts are acceptable) must be submitted for individual charges in excess of \$25 and must contain the names of the attendees applicable to that receipt. Itemized charges submitted without documentation (tips and other expenses) should not exceed \$100 in aggregate. If you are using Concur, and are missing a receipt, a Missing Receipt Affidavit must be completed in Concur. Please see "Receipts" tab pulldown and click on Missing Receipt Affidavit. Itemized receipts should be attached separately to each expense line item. Please do not attach a summary document that shows all receipts to each line item as this may delay the processing of the report. Each expense line should have only the applicable receipt attached.

**\*Important- A copy of your credit card statement does not suffice as a receipt for your expense, you must submit the itemized receipt or file the Missing Receipt Affidavit.**

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 Meetings (Regional Vice Presidents Only)**

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 – Meals not provided by NAA 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 Reimbursements:**

**Itemized** receipts (copies or pictures of the receipts are acceptable) must be submitted for individual charges in excess of \$25 and must contain the names of the attendees applicable to that receipt. Itemized charges submitted without documentation (tips and other expenses) should not exceed \$100 in aggregate. If you are using Concur, and are missing a receipt, a Missing Receipt Affidavit must be completed in Concur. Please see "Receipts" tab pulldown and click on Missing Receipt Affidavit. Itemized receipts should be attached separately to each expense line item. Please do not attach a summary document that shows all receipts to each line item as this may delay the processing of the report. Each expense line should have only the applicable receipt attached.

**\*Important- A copy of your credit card statement does not suffice as a receipt for your expense, you must submit the itemized receipt or file the Missing Receipt Affidavit.**

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).

## Appendix 8: Nomination Process for NAA Officers

1. The Nominating Committee will be appointed as described in the Standing Committee Section in **Appendix 11** and announced at January Board meeting. After the Nominating Committee convenes its first meeting, no member of the Nominating Committee may be nominated for that year's slate of Officers by the committee. The Nominating Committee will have their first scheduled meeting no later than Advocate/March each year.
2. **Outreach:** At the Assembly meeting, held in conjunction with Apartmentalize, the Chairman of the Nominating Committee shall explain the nominating process. On or before July 1, NAA staff shall email all Delegates, Alternates, members of the Board of Directors to inform them that Applications for officer positions are available.
3. **Application & Nominations:** All new individuals wishing to be considered for an officer position will complete an application and submit it to NAA no later than July 31. **\*No applications will be accepted after that date.** Current Officers who wish to remain on the Executive Committees shall complete a Declaration by Current Officers Form. The Chairman-Elect automatically becomes Chairman of the Board the following year; nominations will not be accepted for Chairman of the Board.
4. **Nominating Committee Authority:** The Nominating Committee has the sole discretion to decide what information is pertinent to the decision-making process provided it is consistent with the Bylaws and Policies and Procedures. They may request information from either staff or the candidates. They may also set or limit the type of information that will be reviewed, including but not limited to resumes and letters of recommendations.
5. **Announcement of Applicants:** Delegates will be notified of all applicants for officer positions no later than August 31st of each year.
6. **Review and Recommendation by Nominating Committee:** The Nominating Committee will review all applications and recommend a slate of officers.
  - a. They may reject any applicant they feel does not meet the qualifications.
  - b. They will conduct personal interviews for all applicants that are not rejected.
  - c. They will use the following guidelines in establishing a recommended slate:
    - i. Candidate's prior participation in NAA and/or their local affiliate.
    - ii. Candidate's recognized role in NAA, the industry and Civic/Social activities.
  - d. Members of the Committee are expected to attend each meeting and participate in the interview and nomination process. Candidates selected must have 10 committee votes to be appointed to the slate of officers. No proxy votes will be allowed.
  - e. The Committee will announce the recommended slate of Officers to Assembly of Delegates 30 days prior the AOD meeting.
7. **Additional Nominations:** Any Delegate may nominate a candidate, who meets the qualifications of an officer, for any office in NAA except the Chairman of the Board, after the slate of officers has been reported to the Delegates, by submitting a petition in writing signed by at least ten (10) voting Delegates to the Chairmen at least 10 days prior to the annual meeting. No nominations will be accepted from the floor.

### Duties and Responsibilities of Officers/Executive Committee

The Executive Committee duties and responsibilities are as follows:

- The actions of the Executive Committee shall at all times be consistent with the Bylaws and Policies & Procedures of the Association and are subject to review and approval by the Board of Directors.
- Coordination and management of the affairs of the Association between meetings of the Board of Directors.
- Upon discovery that an affiliated association has operated in violation of the Association's Bylaws and/or Policies & Procedures, the NAA President and the Executive Committee shall communicate with the affiliate to attempt to bring the affiliate into compliance. If that effort is unsuccessful, the matter will be referred to the NAA Board of Directors for action.

## **Appendix 9: Nominations & Election Process for Regional Vice President (RVP)**

At the regional meeting held in conjunction with Advocate, each region that will be conducting an election will:

1. **Make an Announcement.** The current RVPs will explain the election process and announce that an election will take place.
2. **Appoint a Regional Election Committee.** The region will appoint and ratify a regional **election** committee **whose purpose is to conduct elections at the regional meetings** . Where practical and if there is more than one state in a region, the regional **election** committee should include at least one representative from each state where an affiliate exists. In the event a vacancy occurs on the committee, the remaining committee will carry on the duties of the committee. The committee members will self-select a Chairperson from the committee.  
**\*\*The names of the members serving on the regional election committee will be transmitted, via email, to the NAA Senior Manager of Governance by April 1<sup>st</sup>.**
3. **Choose a Method for Selecting the RVP.** The Region will select one of the following methods for electing RVPs:
  - a. Geographical Representation: Election where RVPs are elected in a manner that no state in the Region can have more than one RVP;
  - b. Majority Vote: The nominees receiving the largest number of votes will be the selected Regional Vice Presidents with no consideration to where they are from, provided they are located in the Region; or
  - c. Other methods approved at Regional meeting.

If no method is selected, the RVP's will be selected by majority vote.

**Between the Advocate conference and May 5<sup>th</sup>, the following will occur:**

1. **Notification of Election (by April 1<sup>st</sup>).**  
A notification that elections will be held and call for applications will be sent by NAA staff to all delegates, alternates, local and state affiliate presidents, and local association executives.
2. **Applications for Consideration (by April 30<sup>th</sup>).**  
Current RVPs who wish to run for re-election will **submit a declaration form of re-election electronically to the NAA Senior Manager of Governance, no later than April 30<sup>th</sup>**. Any new applicant wishing to run for a RVP position will submit **an RVP** application electronically to **the NAA Senior Manager of Governance** no later than April 30<sup>th</sup> .
3. **Vetting of Applicants (by May 5th).**

**NAA staff will vet all applicants for RVP positions based on criteria outlined in the NAA bylaws, the Policies and Procedures, and will transmit all applications and declaration forms to the regional election committee no later than May 5<sup>th</sup>.**

**Prior to Apartmentalize, NAA staff will create the Region's paper ballots or electronic ballot.**

- a. If majority vote was chosen, nominees will be listed in alphabetical order by last name.
- b. If geographical representation was chosen, the Ballot will be divided by the state the applicant is representing and then list the nominees in alphabetical order by last name.
- c. If another method was chosen, the Ballot will be prepared according to the method that was chosen.

**At the regional meeting held in conjunction with Apartmentalize: The regional election committee will:**

1. **Conduct the Election.** Regular elections will occur at the regional meetings held at Apartmentalize.
2. **Distribute Ballots.** Ballots will be distributed by the **regional election committee**. Only NAA delegates that are properly credentialed may vote. If a delegate is absent, an alternate that is properly credentialed may vote in the absent delegate's place. Alternates that replace absent delegates should be selected on the following preferences: (i) same local as absent delegate they are replacing; then (ii) same state as absent delegate they are replacing.
3. **Oversee delegate Voting.** Write-in votes will not be counted. Delegates may not cast multiple votes for one applicant (Cumulative Voting), unless specified as **acceptable by the regional election committee**.

If majority vote was chosen, each person voting may cast a maximum of one vote for each available position but no more than one per applicant. (Example: 1 voting RVP & 1 non-voting RVP = 2 votes, 3 voting RVP & 1 non-voting RVP = 4 votes).

If geographical representation was chosen, each person voting may cast a maximum of one vote for each available position but not more than one vote for a nominee in a state and no more than one per applicant. (Example: 1 voting RVP & 1 non-voting RVP = 2 votes but no more than one per state, 3 voting RVP & 1 non-voting RVP = 4 votes but no more than one per state)

4. **Count the Votes.** The results will be tallied by representatives of the regional election committee and announced immediately by the regional election committee chairperson or committee designate at the end of the voting period. In all cases, the nominees receiving the largest number of

votes will be the selected Regional Vice Presidents. The person(s) receiving the most votes will automatically become the voting Regional Vice Presidents; and the other person selected will automatically become the Region's non-voting RVP.

**In the event of a tie vote:**

To determine RVP: A revote by paper ballot will be conducted for tied positions. Each person voting will cast a maximum of one vote for each available position (Geographic Representation-not more than one vote for a nominee in a state). Example: 2 nominees tied for 1 position – 1 vote, 3 nominees tied for 2 positions- 2 votes).

Any challenges to the voting process or results will be handled at the discretion of the **regional election** committee chairperson and those committee members present.

To determine voting v. non-voting: If the applicants do not determine this between themselves, a revote will occur among the tied applicants. The person(s) receiving the most votes will automatically become the voting Regional Vice Presidents; and the other person selected will automatically become the Region's non-voting RVP. If there is another tie after the revote, a coin will be flipped to make the determination by the regional election committee chairperson or committee designate.

## Appendix 10: Listing of Committees, Task Forces and Working Groups

This List will be adjusted annually based on committees that are established through the Bylaws, Chairman of the Board, or the Board of Directors.

**Standing Committees:** These committee members are appointed by the Regional Vice Presidents and chosen from the names submitted of those interested in serving on a standing committee. The number of appointments made on each standing committee is based on the region size.

**Other Committees:** Those interested in serving on a committee should complete the NAA Committee Volunteer form. Submitted names are then presented to the Regional Vice Presidents (RVPs), who in turn recommend NAA members from their region to serve on various committees.

The NAA Chairman appoints the Chairman and Vice Chairman of all NAA committees.

### NAA Standing Committees:

#### Apartmentalize:

The Apartmentalize Committee's primary role and responsibility is attendee acquisition – the marketing and promotion of the conference to their members, customers, employees and prospective customers and members. The Chair(s) of Apartmentalize Committee is selected by that year's NAA Chairman of the Board.

#### Budget and Finance:

The Budget and Finance Committee oversees the association's financial management, financial reporting and overall financial performance. The Budget and Finance Committee reviews and approves the association's annual budget and reviews and accepts monthly financial statements and the annual audit. In addition, the committee approves the association's accounting policies and procedures, develops and implements the association's investment and reserve policies and selects the associations outside auditing firm.

#### Independent Rental Owners Committee (IROC):

The IROC shall be the advocate for all independent owners to the Board of Directors and Assembly of Delegates. NAA defines an Independent Rental Owner (IRO) as an individual or individuals who own or manage rental properties, and are actively involved, from an ownership perspective, in the management of their properties.

#### Legislative:

The Legislative Committee is the focal point for deliberations on NAA's public policy agenda. Committee members, representing their respective regions and constituencies, discuss trending federal, state and local issues, recommend advocacy resources to NAA staff and propose official industry positions on important topics. The Legislative Committee is also the official liaison body for NAA to the National Multi Housing Council as well as internally to the Board of Directors, Assembly of Delegates and broader membership. The Committee considers all requests for funding through the Industry Mobilization Fund, sending all endorsed requests forward to the NAA Board of Directors for final approval. In addition, there are two

subcommittees within the Legislative Committee: Legislative Policy and Regulatory Issues, and Advocacy and Engagement.

### Membership:

The Membership Committee evaluates NAA's current membership and affiliate benefits and advises on the development of new programs and services. Committee members actively promote the value of NAA involvement, and partners with staff in establishing membership related strategies that support growing membership at all levels of the federation. The Committee evaluates and approves all affiliate charter, Affiliate Assistance Fund, and Global Affiliate Assistance Fund applications after NAA staff has provided documentation and recommendations. The Committee assists staff in establishing membership related strategies that support growing the NAA membership.

### Nominating Committee:

The Nominating Committee is responsible for evaluating candidates for the NAA officer positions. Officer positions include Chair, Chair-Elect, Vice-Chair, Treasurer and Secretary. Candidate interviews are conducted annually, generally in September. Members serving on the Committee from each region must be an owner/manager with a minimum of 3 years national volunteer experience with the National Apartment Association preferably having served on the NAA Board or the Assembly of Delegates. The members of the Nominating Committee will be announced to the Board during the January Board meeting and will have its first scheduled meeting no later than the Advocate meeting each year.

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### Other Committees:

#### Affordable Housing

The Affordable Housing Committee serves to provide education, engagement and continued support to members working within affordable, mixed-income and workforce housing real estate development and operations. The committee works to: evaluate federal, state and local initiatives impacting the range of publicly and privately funded affordable housing (including, but not limited to, HUD assisted, Low Income Housing Tax Credit, USDA/Rural and naturally occurring affordable housing, etc.); advocate for greater affordable housing supply; review and share best practices within affordable real estate development and operations; as well as highlight innovations within the field. Ultimately, the committee is committed to ensuring the association is enriching the experience for all NAA members and audiences with a vested interest in affordable housing.

#### Diversity, Equity and Inclusion

Coordinates activities related to increasing the overall diversity of NAA's membership, and to ensure NAA is an inclusive organization with programming to meet the needs of our diverse stakeholder community.

#### Governance

Governance provides a comprehensive review of the NAA Bylaws and Policies and Procedures.  
**\*Composed of one Regional Vice President from each region.**

#### Global Outreach

The Global Outreach committee focuses on outreach of rental housing in the global market.

#### #NAAgives

NAA G.I.V.E.S was created to track and promote the charitable efforts of the rental housing industry. The NAA G.I.V.E.S Committee will develop an annual survey to track industry giving, create a toolkit for members and affiliates and coordinate charitable activities at all NAA Conferences.

### NAA NEXT GEN

NEXT GEN is defined as NAA members in mid- to upper-level leadership positions in their 20s to early 40s looking to become more involved and engaged in NAA through Leadership, Community Involvement, peer-to-peer socials and education. \*By appointment only and two appointments per region.

### NAA PAC Ambassadors

The PAC Ambassadors shall be nonvoting members of the NAAPAC Board of Trustees. PAC Ambassadors shall serve as an advocate for the NAAPAC by promoting the NAAPAC events at the three NAA meetings: Advocate, Apartmentalize and the Assembly of Delegates. PAC Ambassadors shall also promote fundraising for NAAPAC to the local affiliates and will be responsible for assisting their region in making their Fair Share Goal.

\*Regional Appointments: 17 Members to be appointed by the Regional Vice Presidents of the NAA Board based on the number of voting Regional Vice Presidents. The Chair of the NAA Board may make additional appointments to the committee.

### NAA PAC Board of Trustees

The NAAPAC Board of Trustees oversees all fundraising and disbursement activities for the PAC. This includes establishing candidate contribution amounts, approving all requested distributions, providing guidance on fundraising programs and recommending to the NAA Board of Directors appropriate NAAPAC affiliate fundraising goals.

### Operations

The Operations Committee focuses on current and emerging operations issues of concern to NAA members. The committee identifies “hot button,” concerns impacting the broad spectrum of entities in our industry who operate in varying markets and within different segments of rental housing, including affordable, conventional, military, and student. Based on these issues, the committee develops resources, educational materials, best practice recommendations, and other reference information to support the day-to-day business of NAA members as well as the educational efforts of NAA affiliates on operational issues. The goal of the Operations Committee is to act as a forum for discussion and a source for solutions on operational concerns.

### Technology

The Technology committee focuses on current and emerging technologies and issues that concern or hinder our members. The Committee will identify and prioritize high profile, high risk and high value technologies affecting all or a subset of entities in our industry. Based on this list of priorities, the group will work with NAA staff to develop documents and other tools, such as white papers, best practices, and recommendations to keep NAA affiliates’ and members’ informed on these issues. The Committee may also work with vendors to implement new systems or changes to existing systems to benefit NAA affiliates and members. The goal of the committee is to keep NAA affiliates and members apprised of the latest issues and trends, so they can safely and effectively implement and use technology solutions.

**NAA Discussion/Forum Groups:**  
**Marketing & Communications**

The Marketing & Communications Committee serves to provide expertise and examine current trends in marketing and communications as they apply to the apartment housing industry. They advise on promoting existing and upcoming initiatives, programs and content within NAA. The committee works to ensure the association is enriching the experience for its members, potential members, suppliers, leadership and other key NAA audiences, and presenting itself as the industry's thought leader and excellence in customer service. It will also provide an annual forum for Marketing Directors to gather and share best practices and new ideas.

**Privatized Military Housing**

The Privatized Military Housing Committee focuses on the specific needs of this segment of the rental housing industry. The committee serves as a forum for members who provide privatized military housing as part of the Military Housing Privatization Initiative. With the assistance of NAA, members communicate with Congressional and military representatives on how best to serve the needs of military families and the industry.

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**NAAEI Committees:** *\*upon receipt of your name, a separate application will be emailed from NAAEI*

**Residential Property Management (RPM) Careers: (formerly Apartment Careers)**

Residential Property Management (RPM) Careers Committee promotes RPM careers and industry awareness and advises the NAAEI Board on recruitment and career outreach efforts. The Committee will seek partnerships for expanding, enhancing and retaining the industry talent pool to foster these relationships to develop a pipeline of talent, connecting them to industry members through local, state and national workforce and education initiatives.

**Curriculum Development:**

Curriculum Development Committee is charged with the development of continuing education programs and advises the NAAEI Board on content, delivery, and faculty administration. The Committee also oversees the curriculum and exam development of NAAEI's credential programs. The Committee will review and recommend the development of new curriculum, career tracks and other programming to maximize professional development and operating results.

**Program Administration:**

Program Administration Committee advises and recommends policies for enrollment, exams, credentials, and continuing education credits. It advises the NAAEI Board on education and credentialing programs, monitors credential program requirements, and ensures consistency of program deliveries across all learning modalities.

## Appendix 11: Committee Member Selection Process

Except for the Committees listed below, the NAA Chairman of the Board shall appoint all members of other committees, Task Forces and Working Groups. Subject to the limitation below, the Chairman of the Board shall have complete discretion to determine the number of members of each committee, task force and working group, and to appoint those members.

Additionally, with the approval of the Chairman of the Board, the AEC and NSC may also appoint one non-voting member to all NAA committees and task forces; except the Nominating, Past Chairman's Committees, Award Selection Committees and Working Groups. NSC and AEC cannot appoint liaisons to committees on which they cannot serve.

All regional appointments should be delivered to NAA each year by November 1. The Chairman of the Board shall make selections prior to the Assembly of Delegates meeting in November. The Chairman of the Board may appoint regular or alternate members to committees from the Region if the RVP fails to submit appointments when due. **Committee rosters will be finalized by December 31 each year. Names presented after that date will be placed in consideration for the following year.** *(approved June 2019)*

### **Apartmentalize**

The Conference Committee shall be selected by the Chairman-Elect for the conference that will occur during their term. The NAA Chairman-Elect and Conference Chairperson(s) shall have complete discretion to determine the number of members of this committee and to appoint those members.

### **Budget and Finance, Legislative and Membership**

#### **Regional Appointments**

Regional Vice Presidents shall appoint one (1) representative from their region. Regions with more than one Voting Regional Vice President may appoint one additional representative to these committees. Regional Vice Presidents may appoint one "alternate" member for each committee member they appoint.

#### **Chairman's Appointments**

The Chairman of the Board may appoint up to two (2) at large appointees to these committees. The Chairman of the Board may appoint one "alternate" member for each committee member appointed by the Chairman of the Board.

Additional Members of Legislative Committee include Immediate Past Chairperson of the Legislative Committee, Chair, Legislative Policy and Regulatory Issues, Chair, Advocacy and Engagement, NAA Political Action Committee Board of Trustees (NAAPAC) Chair, the NAA President (as Treasurer of the NAA PAC) will also serve as voting members of the Legislative Committee.

### **Independent Rental Owners Committee.**

#### **Regional Appointments**

Regional Vice Presidents shall appoint up to two (2) representatives from their region. Regions with more than one Voting Regional Vice President may appoint two (2) additional representatives to this committee.

### **Chairman's Appointments**

The Chairman of the Board may appoint additional members to the committee.

### **Nominating Committee**

#### **Regional Appointments**

Regional Vice Presidents shall appoint one representative from their region who shall be an owner/manager with a minimum of 3 years national volunteer experience with the National Apartment Association preferably having served on the NAA Board or as a Committee Chair. Three Past Chairmen selected by the Nominating Committee Chairman and the NAA Chair Elect as a non-voting member of the committee. The Chair Elect shall participate in the dialog but excuse him/her - self during the voting process.

Once the Nominating Committee has convened its first meeting, no person who served on the committee for that year may be considered for nomination.

### **Other Committees:**

#### **Governance Committee**

Regional Appointments. Regional Vice Presidents shall appoint one (1) Regional Vice President from each of their regions. The Chairman of the Board may appoint up to two (2) at large appointees to the committee.

#### **NAA Political Action Committee Board of Trustees**

The Board of Trustees shall consist of 21 voting members. Members of the Board of Trustees shall be either an owner/ manager member. Regional Representatives shall serve on the Board of Trustees for a two- year term. These 21 voting members shall include the following:

1. The NAAPAC Chairman
2. NAAPAC Past Chairman
3. NAA Chairman Elect
4. NAA Legislative Committee Chairman
5. 17 Members of the Board of Trustees to be appointed by the Regional Vice Presidents of the NAA Board based on the number of Voting Regional Vice Presidents. Terms shall be staggered to provide continuity in the Trustees and over election cycles.

The Board of Trustees shall also include three non-voting members that includes the NSC PAC Liaison (appointed by the NSC Executive Committee); AE Liaison (appointed by the AEC Executive Committee); and the PAC Ambassador Chair.

#### **PAC Ambassadors**

Regional Appointments: 17 Members to be appointed by the Regional Vice Presidents of the NAA Board based on the number of voting Regional Vice Presidents. The Chairman of the Board may make additional appointments to the committee.

#### **Past Chairmen's Committee**

All NAA Past Chairmen willing to serve.

#### **Affordable Housing, Privatized Military Housing and Student Housing Committees**

The Chairman of the Committee will recommend committee members and the Regions may make recommendations, that are in turn, appointed by the Chairman of

the Board.

**NAA Next Gen** Committee is appointed in accordance with the following:

1. 20 Regional Appointments (2 per region)
2. 3 Subcommittee Chairs
3. 4 At-Large Appointments (NAA Chair)
4. 3 Executive Officers (Chair, Vice Chair, Immediate Past Chair)
5. One-year term limits recommended (but not mandatory)

**Hall of Fame Selection Committee**

- The three (3) most recent Hall of Fame recipients willing to serve.
- Immediate Past Chairman of NAA
- Chairman-Elect of NAA
- Most recent Past Chairman of NAA willing to serve who is not the Chair
- The committee chair will appoint three (3) voting RVPs from the NAA Board of Directors who have served at least one (1) full term.

**Nine members in total.**

**Lifetime Achievement Selection Committee**

1. All members of the Hall of Fame Selection Committee
2. Immediate Past Chair of the NSC and AEC

**11 members in total.**

## Appendix 12: CEO Succession Plan

**Preamble:** To avoid confusion and disruption of NAA activities, it is prudent to have a succession plan in place in the event of the untimely death, disability, involuntary separation, or voluntary departure of NAA's President and CEO. The existence of established procedures will more likely lead to continued daily functioning of the organization and to the selection of a qualified successor. This will provide time for volunteers to carefully consider the skills of candidates matched with the objectives of the organization.

The President is an at-will position and serves at the pleasure of the Board of Directors. This document lays out specific recommendations for the selection of the President if such office becomes vacated. Once approved by the Executive Committee, it will become a permanent part of the official Policies & Procedures of the Association and will be reviewed and updated by the Executive Committee as needed.

**Search Committee:** The Chairman of the Board shall appoint, with the concurrence of the Executive Committee, a Search Committee. The Search Committee shall be composed of eleven members; the composition of the Search Committee shall be as follows;

- Three current Officers
- Three Regional Vice Presidents
- Three Past Chairmen
- One representative from the National Suppliers Council
- One representative from the Association Executive Council

The current Chairman of the Board shall appoint the Chair from the Search Committee members.

The composition of any Search Committee named shall not change unless a member voluntarily resigns from the Committee or from the Association. The Search Committee shall be empowered to determine and engage a third-party search firm to assist the Committee and the Board of Directors in identifying qualified candidates if it so chooses. The Board of Directors will approve a budget for the search process. The Search Committee will be responsible for interviewing candidates and will be empowered to negotiate salary and benefits and other terms with the candidate within the budgetary guidelines established by the Executive Committee, and to make a final recommendation to the NAA Board of Directors for approval.

**Voluntary Resignation or Retirement of President:** The President may choose to voluntarily resign to accept another position or to retire from his/her position at the Association.

1. Upon the decision to retire from the Association, the Association expects the President to give at least one year, but preferably two years notice to the Board of Directors. At the appropriate time, the Chairman of the Board shall inform the affiliated local and state associations of the intentions of the President.
2. Upon the President's decision to resign and accept another position, the Association expects that the President will give notice to the Board of Directors at least three months prior to taking the new position.
3. The members of the Search Committee shall be appointed, and the Search Committee convened at least nine months before the effective date of the President's planned retirement or within two weeks upon the President's notice of intent to accept another position.

4. In the case of the President resigning to accept another position, the Search Committee shall meet in person or by telephone within two weeks of the voluntary resignation of the President.
5. The President will work with the Search Committee (and the search firm if one is engaged) to identify internal or external candidates with the intent to have a successor candidate selected and on the job no later than one month before, or earlier if possible, before the departure of the President.
6. The retiring President may continue to serve during any overlapping time period. The President may also serve for a longer period, either as an employee or as a consultant, in whatever capacity the Board of Directors may determine in its sole discretion.

**Involuntary Departure of President:** Should the Board of Directors determine to terminate or request the resignation of the President, (hereinafter collectively referred to as “termination”) the following procedure should be followed:

1. The Chairman of the Board should review the reasons for the proposed termination and consult with the NAA employment legal counsel, (or in the event of a conflict of interest, with another legal counsel with employment law expertise), to confirm the proposed action’s compliance with applicable laws.
  - a. The Chairman of the Board should advise the Board of Directors of the results of the consultation with the employment legal counsel, seek approval of the Board of Directors to proceed with the termination, and obtain any guidelines for negotiating the President’s departure.
  - b. After a decision to terminate has been made by the Board of Directors, the Chairman of the Board has the responsibility of notifying the President of the Board’s decision and confirming the terms of departure under the guidelines established by the Board of Directors.
  - c. The Chairman of the Board will appoint NAA’s Executive Vice President and COO, after consultation with the Executive Committee to act as interim President until such time the Search Committee has chosen a successor. The Chairman will notify the Board of Directors of the interim appointment.
  - d. In the event there is no Executive Vice President and COO, the Executive Committee will appoint another staff member as interim President.
  - e. The Chairman of the Board shall meet with the staff to advise them of the departure of the President, announce the interim President and outline the steps in selecting the new President.
2. After the Board of Directors and staff have been notified, the Chairman of the Board shall notify the affiliated local and state associations of the decision to terminate the President and the selection of the interim President.
3. The Chairman of the Board may appoint the interim President as an ex officio member of the Search Committee, unless the interim President requests to be considered for the President position, in which case the Chairman of the Board, with the concurrence of the other Officers, may select another senior-level staff member to serve as an ex officio member.

4. The Search Committee shall meet in person or by telephone within two weeks of removal of the President to set the parameters and timetable for the search.

**Disability of President:** Should the President be unable to continue to perform the job duties and functions of the President due to a disability, the following procedure should be followed:

1. The Chairman of the Board should review the President's long-term disability policy and possible benefits under that policy. The Chairman of the Board shall confer with the NAA employment legal counsel (or in the event of a conflict of interest, with another legal counsel with employment law expertise) to provide advice to the Board of Directors on decisions regarding the President's disability.
  - a. The Chairman of the Board and Board of Directors, after consultation with the President, his/her family or representatives, and the employment legal counsel, shall determine the likelihood and date of the President being able to return to work. If it is determined that the President is not able to resume performing the duties and functions of the position within a reasonable time period, under applicable Law the Board of Directors shall proceed with the search process.
  - b. The Chairman of the Board will appoint NAA's Executive Vice President and COO to act as interim President until such time the Search Committee has chosen a successor. The Chairman will notify the Board of Directors of the interim appointment.
2. The Chairman of the Board should apprise affiliated local and state associations and NAA staff of the selection of the interim President.
3. The Search Committee shall meet in person or by telephone within two weeks of the determination of the President's inability to continue to serve.

**Death of President:** Should the President die while employed by the Association, the following procedure should be followed:

1. The Chairman of the Board shall apprise the NAA staff, Board of Directors, and affiliated local and state association of the death.
2. The Chairman of the Board will appoint NAA's Executive Vice President and COO to act as interim President until such time the Search Committee has chosen a successor. The Chairman will notify the Board of Directors of the interim appointment.
3. The Chairman of the Board shall meet with the staff to advise them about the interim President and the next steps in selecting the new President.
4. After the staff has been notified, the Chairman of the Board shall notify affiliated local and state association of the selection of the interim President.
5. The Search Committee shall meet in person or by telephone within two weeks of the President's death.

## Appendix 13: NAA Special Funds

### Affiliate Assistance Fund

#### Purpose and Eligible Activities

The purpose of the NAA Affiliate Assistance Fund (AAF) is to support nongovernment affairs-related projects of significant importance to NAA affiliates. Examples of items for which AAF funds may be used include, but are not limited to: operating expenses incurred to improve delivery of member services i.e. purchasing computer hardware, membership communications software/platforms and professional services, educational programming on local ordinances, regulations and issues that are specific to the affiliate, and/or membership recruiting activities that would otherwise not qualify for funding under NAA's Strategic Growth, Association Management Software and Computer Assistance Fund or other initiative.

#### Application Process and Requirements

Requests for AAF funding must be submitted by an NAA-affiliated association. All applications will be reviewed and considered by the NAA Membership Committee before being forwarded with a recommendation, to the NAA Board of Directors for review at its next scheduled meeting. Applications must be received a minimum of thirty (30) days prior to a regularly scheduled NAA Board of Directors meeting. If expedited consideration of the affiliate AAF application is needed, the NAA Board of Directors will consider and vote upon the application within ten (10) business days by electronic means. The NAA Board of Directors, by majority vote, shall have final approval regarding the awarding of all AAF funds.

A maximum of \$100,000 may be distributed from the AAF per year; however, NAA reserves the right to make distributions in an amount less than the maximum amount. Once this cap has been reached, additional AAF funds may only be distributed if an emergency exception is approved by the NAA Board of Directors by a 2/3 majority vote. All applications will be evaluated on their merits and only the strongest applications will be funded.

All applicants must complete the AAF Application Form located on the NAA web site. A complete application includes the following information:

- Summary of the project and desired outcomes.
- The specific dollar amount being requested (no open-ended funding requests shall be considered).
- Explanation of the project's significance to the applying affiliate.
- Preliminary information on the likelihood of success or successes from the requested funds.
- Detailed outline of the affiliate's action plan for executing the project and how AAF funds will be allocated.
- Detailed explanation of the applicant's financial resources already committed to the project, if any, and why additional support from the AAF is needed.
- Schedule of when AAF funds for the project will be spent (i.e. a timeline for requested distributions of AAF funds).
- Explanation of how the use of AAF funds will be tracked.
- Listing of any other groups who are contributing financially to the effort and in what amounts.

In evaluating AAF applications, financial need is a major consideration. Affiliates with strong financials and reserves may not be eligible. Depending on the financial resources of the requesting affiliate additional matching funds may be required to receive AAF funding. To assist in the evaluation of financial need, applicants shall submit a copy of their latest annual financial statements and most recent monthly financial statement or an in-house prepared financial statement that has been approved by the affiliate's Board of Directors.

No funds will be approved to pay for the establishment of local programs when that program/service is already supplied (or is in the process of being supplied) by NAA or NAAEI.

*Each of the above items must be specifically addressed and answered in full or applications will be returned for revision.*

The following restrictions apply to AAF funds:

- A maximum of \$30,000 in AAF funding may be requested per project.
- An affiliate may only be granted a maximum of \$30,000 in AAF funding per three-year cycle. This three-year cycle shall begin immediately following the date on which the first AAF funds are received by the affiliate. Exceptions to this \$30,000 per three-year cycle limit may be granted by a 2/3 majority vote of the NAA Board of Directors, upon the conclusion of the normal AAF funding request process.
- Funds may be applied to future expenditures only.
- All applying affiliates must be current on dues.

### **Distribution of AAF Funds**

If approved, AAF funds will only be distributed upon NAA's receipt of a formal invoice, receipt, or similar documentation. The affiliate needs to provide proof that the invoice to a vendor was paid, through a copy of a canceled check or similar document. Funding can be sent to organizations other than the applying affiliate with appropriate documentation. Approved funds will be earmarked within the AAF for a maximum period of 12 months. After this time unused dollars will be returned to the fund's general balance. Further, upon completion of the project, any unused AAF funds which have been distributed to an affiliate must be returned to NAA. For each element of the project, NAA will reimburse up to the amount approved.

If the affiliate changes its priorities or extenuating circumstances in the opinion of the Membership Committee renders the project moot, any unspent allocated funds shall be withdrawn, and any unspent distributed funds must be returned to NAA.

### **Reporting & Follow-up**

The applying affiliate is solely responsible for any and all reporting requirements, which may apply as a result of receiving monies from the AAF for taxation and/or other purposes. In addition, the affiliate agrees to provide all relevant information that may be needed for NAA to comply with any reporting requirements which may apply as a result of distributing monies from the AAF.

All applicants agree to the following requirements as a condition of receiving funding from the AAF:

1. Provide the Membership Committee – via NAA staff – progress reports within 15 business days of the end of each calendar quarter for a period of two years from the date the funds were distributed. If the reporting is not submitted, showing the results

- or impact of the funds on a timely basis, the provided funding will be refunded back to NAA.
2. Deliver a comprehensive written summary to the Membership Committee within 15 business days following completion of the project. This debriefing will include description of:
    - a. Spending of AAF funds.
    - b. The success or failure of the project.
    - c. What parts of the project worked and did not work?
  3. Deliver samples of all materials developed in support of the project to NAA staff.

## **Questions**

Any questions regarding the AAF funding guidelines or application process can be directed to [Sara Keene](#), Director, Member Programs & Compliance.

## **Strategic Growth Fund**

### **Purpose and Eligible Activities**

The purpose of the NAA Strategic Growth Fund (SGF) is to assist NAA-affiliated associations with a market penetration rate of 50 percent below in major metropolitan areas to grow their membership. A major metropolitan area is currently defined by the U.S. Census Bureau as a metropolitan area with population over one million. Examples of items for which SGF funds may be used include but are not limited to membership recruitment and retention campaign to strengthen the association's brand, build awareness, attract new members, and increase member retention; develop a public relations campaign to promote the association and provide value to members by promoting the industry and spotlighting members; validate membership lists; outreach efforts.

### **Application Process and Requirements**

Requests for SGF funding must be submitted by an NAA-affiliated association. All applications will be reviewed and considered by the NAA Membership Committee before being forwarded with a recommendation, to the NAA Board of Directors for review at its next scheduled meeting. Applications must be received a minimum of thirty (30) days prior to a regularly scheduled NAA Board of Directors meeting.

To be considered, the application must be completed in full, including a strategic growth plan, a detailed budget, goals for the eligible activities and timelines associated with the goals. Submitting an application does not guarantee that NAA will fund a request. Funding from NAA will be based on an affiliate's financial investment, level of commitment by the affiliate, potential unit growth, use of innovative membership campaigns/outreach, and anticipated return on investment.

Funds will be awarded based on availability. Applying affiliates must be in good standing with NAA, including compliance with dues and reporting. Affiliates must meet the following criteria:

- A strategic growth plan must be submitted with the application, which must include:
  - SMART goals (specific, measurable, attainable, realistic, and timely)
  - Clear strategies for ongoing sustainability
- The activities must target an area with less than 50 percent membership penetration
- Identified and itemized resources that are not otherwise available within the affiliate's current budget and resources.

No funds will be approved to pay for the establishment of local programs when that program/service is already supplied (or is in the process of being supplied) by NAA or NAAEI.

### **Distribution of SGF Funds**

If approved, SGF funds will only be distributed upon NAA's receipt of a formal invoice, receipt, or similar documentation. The affiliate needs to provide proof that the invoice to a vendor was paid, through a copy of a canceled check or similar document. Funding can be sent to organizations other than the applying affiliate with appropriate documentation. Approved funds will be earmarked within the SGF for the period outlined in the approval. After this time unused dollars will be returned to the fund's general balance. For each element of the project, NAA will reimburse up to the amount approved.

If the affiliate changes its priorities or extenuating circumstances in the opinion of the Membership Committee renders the project moot, any unspent allocated funds shall be withdrawn, and any unspent distributed funds must be returned to NAA.

### **Monitoring & Follow-up**

The applying affiliate is solely responsible for any and all reporting requirements, which may apply as a result of receiving monies from the SGF for taxation and/or other purposes. In addition, the affiliate agrees to provide all relevant information that may be needed for NAA to comply with any reporting requirements which may apply as a result of distributing monies from the SGF.

All applicants agree to the following requirements as a condition of receiving funding from the SGF:

1. *QUARTERLY REPORTING*: Affiliates will be required to submit a written report to NAA one month after the end of each quarter during the life of the project. The report must state what funds have been expended by the affiliate and the status of the measurable goals identified in their plan.
2. *MEMBERSHIP COMMITTEE MEETINGS*: NAA staff will update the NAA Membership Committee during each regular meeting during the life of the project, based on the quarterly reports provided.
3. *COMPLETION OF PLAN*: Within two months of completion of the Plan, a final report must be submitted to NAA including evaluation of the project's success, a final budget statement and a project summary.

### **Termination of Funding**

Any affiliate that fails to make their quarterly reporting requirement shall not receive further funding until reporting requirements are satisfied. NAA may terminate funding to any affiliate that fails to meet the goals established in the plan upon a recommendation by the NAA Membership Committee and approval by the NAA Executive Committee.

### **Subsequent Funding**

The NAA Board of Directors will determine the amount of money to be allocated to the Strategic Growth Fund each year based on recommendations from the NAA Membership and Budget and Finance Committees. The NAA Board reserves the right to grant partial funding and/or to refuse funding at their sole discretion.

## Questions

Any questions regarding the SGF guidelines or application process can be directed to [Sara Keene](#), Director, Member Programs & Compliance.

## Industry Mobilization Fund

### Purpose and Eligible Activities:

The purpose of the Industry Mobilization Fund (IMF) is to support advocacy efforts that attempt to address issues of major significance to NAA members, affiliates, and the apartment industry overall. Examples of items for which IMF funds may be used include, but are not limited to:

- State and local legislative campaigns, legal actions, public relations programs, advocacy training courses.
- National advocacy efforts not presently supported adequately through NAA's government affairs program.
- National, state, or local research or survey projects.

While not specifically required, IMF funding requests will be evaluated for their potential benefit to other NAA affiliates or national advocacy goals. IMF funding cannot be used for campaign contributions to candidates for office, funding for political parties or other electioneering activities. As well, any activities which are in support of a policy position that conflicts with NAA policy will not be funded.

### Application and Approval Process

IMF funding requests may be submitted by an NAA Affiliate, the Board of Directors, the Legislative Committee or NAA staff. Requests for less than \$2,500 (subject to all other requirements) can be reviewed and approved by the Chairman of the Legislative Committee upon the recommendation of staff and subject to financial need. All other requests will be reviewed first by the Legislative Committee which then issues a recommendation for approval or declines the request.

Requests for which there is a recommendation for approval will be forwarded to the NAA Board of Directors for review at its next scheduled meeting. Approval by the Board of Directors shall be by simple majority vote. If expedited consideration of the application is needed the NAA Board of Directors will consider and vote upon the application within 10 business days by electronic means.

### Funding Limitations

The following restrictions apply to affiliate requests for IMF funds:

- A maximum of \$30,000 in IMF funding may be requested per project.
- An affiliate may only be granted a maximum of \$30,000 in IMF funding per three-year cycle. This three-year cycle shall begin immediately following the date on which the first IMF funds are received by the affiliate.
- Exceptions to the \$30,000 maximum or one application per three-year cycle limit may be granted by a 2/3 majority vote of the NAA Board of Directors, once a request has been approved on substantive groups by the Legislative Committee.

### Financial Need

In the case of affiliate IMF requests financial need will play a role in determining funding for the request. It is recommended that affiliates with annual revenues of \$1.5 Million or greater match 100 percent of the amount they are requesting from the IMF. Affiliates with annual

revenues of \$1 - \$1.5 Million should contribute 50 percent of the amount they are requesting from the IMF. Affiliates with annual revenues of less than \$1 Million do not necessarily need to contribute towards the cost of the project. Staff will notify the Legislative Committee when an affiliate maintains greater than 25 percent of net operating reserves.

“In-kind” support by the affiliate does not count towards the contribution recommendations above (e.g. time of existing staff, use of affiliate-owned facilities, etc.).

To assist in the evaluation of financial need, applicants shall submit:

- Financial statements and balance sheet as of December 31 of the previous year as well as their most recent financial statements and balance sheet. (Note: These documents must detail Net Operating Reserves and cash-on-hand.)
- Approved minutes from a Board meeting with a motion indicating that the Affiliate’s Board of Directors has authorized the request, discussed the application terms for the funds and have approved the required contribution by the affiliate to the project.

### **Application Requirements**

All applicants must either complete the IMF Application Form located on the NAA web site or submit a single document that includes the following information:

- Summary of the project, its current status, and desired outcomes.
- The specific dollar amount being requested (i.e. no open-ended funding requests shall be considered).
- Explanation of the project’s significance to the applying affiliate and to the national apartment industry as a whole.
- Preliminary information on the likelihood of success for the effort.
- Detailed outline of the affiliate’s action plan for executing the project and how IMF funds will be allocated.
- Specific amount being contributed by the affiliate toward the cost of the project (subject to the criteria noted above).
- Detailed explanation of why support from the IMF is needed.
- Approved minutes or motion by the affiliate’s board of directors approving the project and (if applicable) approving the funds to meet the financial contribution requirement noted above.
- Schedule of when IMF funds for the project will be spent (i.e. a timeline for requested distributions of IMF funds).
- Explanation of how the use of IMF funds will be tracked.
- Listing of any other groups who are contributing financially to the effort and in what amounts.

**Each of the above items must be specifically addressed and answered in full or applications may be returned for revision.** Applicants are also encouraged to submit any additional supporting information that would be helpful to the Committee and NAA Board of Directors.

### **Distribution of Funds**

If approved, IMF funds will only be distributed upon receipt of a formal invoice, receipt, or similar documentation. Funding can be sent to organizations other than the applying affiliate (non-profits or other entities involved in the campaign) with appropriate documentation. Approved funds will be earmarked within the IMF for a period of 24 months. After this time unused dollars will be returned to the fund’s general balance. Further, upon completion of the campaign, any unused IMF funds which have been distributed to an affiliate must be returned to NAA.

If the affiliate changes its priorities or extenuating circumstances render the issue moot, any unspent allocated funds shall be withdrawn, and any unspent distributed funds must be returned to NAA.

### **Follow-Up and Reporting**

The applicant is solely responsible for any and all local, state or federal government reporting requirements which may apply as a result of receiving monies from the IMF. In addition, the affiliate agrees to provide all relevant information that may be needed for NAA to comply with any reporting requirements which may apply as a result of distributing monies from the IMF.

All applicants agree to do the following as a condition of funding from the IMF.

1. Provide the Legislative Committee – via NAA staff – a written progress report at the end of 90 days after the request is approved. Successive progress reports will be filed at the end of each 90-day period thereafter until the project is completed.
2. Deliver a comprehensive debriefing before the Legislative Committee following completion of the project. This debriefing will include a description of:
  - a. Spending of IMF funds.
  - b. The success or failure of the project.
  - c. What components of the project worked and those that did not?
  - d. Lessons learned.
3. Deliver samples of all campaign or collateral materials (promotional pieces, model legislation, advertisements, white papers, etc.) to NAA staff.

### **Management of IMF Funds**

A maximum of twenty percent of the balance of the IMF – as of the beginning of the calendar year based upon the prior year's December 31 audited financial statements – may be distributed annually for affiliate requests. Once this cap has been reached additional IMF funds may only be distributed for affiliates if an emergency exception is approved by a 2/3 majority of the NAA Board of Directors. All applications will be evaluated on their merits and financial need. Only the strongest applications will be funded.

Any questions regarding the IMF funding guidelines or application process can be directed to Greg Brown at [greg@naahq.org](mailto:greg@naahq.org).

### **Computer Assistance Fund**

The purpose of the NAA Computer Assistance Fund is intended for affiliates that intend to participate on the AMS Platform but lack a reliable computer from which to work on the Platform. Affiliates that are awarded funding are not eligible for future subsidies from this Fund. The maximum award is one computer. Initial value of the Fund is \$100,000.

### **Association Management Software (AMS) Assistance Fund**

The purpose of the AMS Assistance Fund is intended to help offset costs associated with the initial setup of the AMS Platform for participating affiliates. Affiliates that are awarded funding are not eligible for future subsidies from this fund. The maximum award is \$6,500 per affiliate (this will provide initial funding for implementation of the standard AMS and website package for most affiliates). Initial value of the Fund is \$536,000.

### **Global Affiliate Assistance Fund**

The purpose of the Global Assistance Fund (GAF) is to support non-government affairs related projects of significant importance to affiliates of the National Apartment Association

(NAA) which are located outside of the United States. Examples of items for which AAF funds may be used include but are not limited to operating expenses incurred to improve delivery of member services i.e. computer hardware, membership communications software and professional services, educational programming on local ordinances, regulations and issues that are specific to the affiliate and/or membership recruiting activities.

### **Application Process & Requirements**

Requests for GAF funding must be submitted by an NAA affiliate. All applications will be considered first by the NAA Membership Committee before being forwarded, with a recommendation, to the NAA Board of Directors for review at its next scheduled meeting. If expedited consideration of the affiliate GAF application is needed the NAA Board of Directors may consider and vote upon the application within 10 business days by electronic means. The Board of Directors, by majority vote, shall have final approval regarding the awarding of all GAF funds.

A maximum of US\$75,000 per affiliate may be distributed from the GAF, however NAA reserves the right to make distributions in an amount less than the maximum amount. Once this cap has been reached additional GAF funds may only be distributed if an emergency exception is approved by the Board of Directors by a 2/3 majority vote. All applications will be evaluated on their merits and only the strongest applications will be funded.

A complete application includes the following information:

1. Summary of the project, its current status, and desired outcomes.
2. The specific dollar amount being requested (i.e. no open-ended funding requests shall be considered).
3. Explanation of the project's significance to the applying affiliate.
4. Preliminary information on the likelihood of success or successes from the requested funds.
5. Outline of the affiliate's action plan for executing the project and how GAF funds will be
6. allocated.
7. Explanation of the applicant's financial resources already committed to the project and why additional support from the GAF is needed.
8. Schedule of when GAF funds for the project will be spent (i.e. a timeline for requested distributions of GAF funds).
9. Explanation of how the use of GAF funds will be tracked.
10. Listing of any other groups who are contributing financially to the effort and in what amounts.

In evaluating applications, financial need shall be considered. Affiliates with no financial need shall not be eligible. Depending on the financial resources of the requesting affiliate additional matching funds may be required in order to receive funding. To assist in the evaluation of financial need, applicants shall submit:

- A copy of their latest annual financial statements and most recent monthly financial statement or an in-house prepared financial statement that has been approved by the affiliate's Board of Directors.

No funds will be approved to pay for the establishment of local programs when that program/service is already supplied (or is in the process of being supplied) by NAA or NAAEI.

**Each of the above items must be specifically addressed and answered in full or applications will be returned for revision.** Applicants are also encouraged to submit any additional supporting information that would be helpful to the Committee. The application and any supporting information should be submitted electronically.

In addition to completing a formal application, applicants must present their request before the Committee. This presentation may take place during one of the committee's in-person meetings or via teleconference.

The following restrictions apply to GAF funds:

1. A maximum of US\$75,000 in AAF funding may be requested per project.
2. An affiliate may only be granted a maximum of \$75,000 per three-year cycle. This three-year cycle shall begin immediately following the date on which the first AAF funds are received by the affiliate. Exceptions to the three-year cycle limit may be granted by a 2/3 majority vote of the NAA Board of Directors upon the conclusion of the normal GAF funding request process.
3. All applying affiliates must be current on dues.

### **Distribution of Funds**

If approved, funds will only be distributed upon NAA's receipt of a formal invoice or similar documentation. Funding can be sent to organizations other than the applying affiliate with appropriate documentation. Approved funds will be earmarked within the Fund for a maximum period of 12 months. After this, unused dollars will be returned to the Fund's general balance.

Upon completion of the project, any unused funds which have been distributed to an affiliate must be returned to NAA.

If the affiliate changes its priorities or extenuating circumstances in the opinion of the Committee renders the project moot, a recommendation to the NAA Board of Directors to withdraw the commitment of any unspent but allocated funds from future commitments. The applying affiliate will also be asked to return funds distributed to the affiliate but unspent.

### **Reporting & Follow-Up**

The applying affiliate is solely responsible for any and all reporting requirements, which may apply as a result of receiving monies from the Fund for taxation and/or other purposes. In addition, the affiliate agrees to provide all relevant information that may be needed for NAA to comply with any reporting requirements which may apply as a result of distributing monies from the GAF.

All applicants agree to the following requirements:

1. Provide the Committee with progress reports within 15 business days of the end of each calendar quarter for a period of two years from the date the funds were distributed. If the reporting is not submitted, showing the results or impact of the funds on a timely basis, the provided funding will be refunded back to NAA.
2. Deliver a comprehensive writeup for the Committee within 15 business days following completion of the project. This review will include description of:
  - a. Spending of GAF funds.
  - b. The success or failure of the project.
  - c. What parts of the project worked and did not work?
3. Deliver samples of all materials developed in support of the project to NAA staff.

Any questions regarding the GAF funding guidelines or application process can be directed to [Ron Skinner](#).

# Appendix 14: Reserve Fund Policy

APPROVED 10/01/04 REVISED 06/24/06,  
03/10/09, 06/27/12, 06/18/14, 01/15/15

## RESERVE FUND POLICY

The establishment of reserve fund allocations for specific designated purposes is approved by the Board of Directors of the Association. The Association shall maintain the following Reserve Funds for the purposes described herein:

### Board Designated Operating Reserves

This fund would be used for any use approved by the Board of Directors.

- Target Fund Level: 35% (or approximately 4 months) of total expense (less depreciation expense which is a non-cash item) for the previous fiscal year. The calculation for the target fund should include Board Designated Operating Reserves plus unrestricted net assets. The minimum floor for the reserve ratio should be 25% (or 3 months) of total expenses (less depreciation) for the previous fiscal year.
- If the reserve level falls below 30%, a 3-year replenishment plan must be implemented beginning in the following fiscal year to replenish the fund back to the 35% target. The repayment schedule would appear as an expense line item in the Association's operating budget.
- If the reserves are repaid earlier than 3 years as the result of net year end profits being earmarked for reserves, the replenishment plan would be suspended.
- The reserve ratio is to be calculated by the CPA audit firm on an annual basis during the annual audit.
- Approval to Disburse: Board of Directors, except that the Executive Committee would be authorized to access and draw upon up to \$250,000 annually to carry on the operations of the association without Board consent

### Industry Mobilization Fund

The purpose of the NAA Industry Mobilization Fund (IMF) is to support advocacy efforts to address issues of major significance to the apartment industry. Examples of items for which IMF funds may be used include, but are not limited to:

1. State and local advocacy campaigns (e.g. defeating rent control regulation, inspection ordinances, building code retrofit requirements),
2. National advocacy efforts, not presently supported adequately through NAA's government affairs program,
3. Public opinion polling (e.g. support for higher rents in exchange for greater energy efficiency in apartments), or
4. Research projects: the results of which could be utilized nationally in a positive way (i.e. alternatives to sprinkler retrofit mandates or economic impacts of rent control).
5. Initial Fund Level: \$300,000
6. Approval to Disburse: Board of Directors after review and approval by the Legislative Committee.

### Affiliate Assistance Fund

The purpose of the NAA Affiliate Assistance Fund ("AAF") is to support non-government affairs- related projects of significant importance to NAA affiliates. Examples of items for which AAF funds may be used include but are not limited to membership-focused projects (i.e. purchasing membership database software); education-related initiatives outside the purview of NAAEI funding (i.e. conducting an education course related to compliance with a local ordinance or regulation or developing a legal guide).

- Initial- Fund Level: \$250,000
- Approval to Disburse: Board of Directors after review and approval by the Membership Committee.

**Allocation**

The Budget and Finance Committee will address the allocation to the established reserve funds annually. After the audit is completed for any year, the amount to be allocated to any designated fund shall be recommended by the Executive Committee for review by the Budget and Finance Committee. Final approval is by the Board of Directors.

Notwithstanding the foregoing, the IMF and AAF, and any designated future allocations will be reviewed at such time as the remaining allocation for that fund is 40% or below of the Initial allocation. The amount to be allocated will be determined by the Association's need for unrestricted working capital and need not be 100% of any positive operating results.

# Appendix 15: Investment Policy and Guidelines

Approved by NAA Board of Directors on January 16, 2012

Revised October 3, 2013, March 16, 2015, June 20, 2017, March 31, 2021

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## National Apartment Association

### Investment Policy and Guidelines

#### Introduction

This statement of investment policy has been adopted by the National Apartment Association (NAA) to provide guidelines for the investable funds held by the organization.

For the purpose of managing investment risk and to optimize investment returns with acceptable risk parameters, the funds held will be divided into two separate pools. The two pools shall be called the "Operating Fund" and the "Long-Term Fund".

#### Mission

The National Apartment Association is America's leading advocate for quality rental housing. NAA's mission is to serve the interests of multifamily housing owners, managers, developers, and suppliers and maintain a high level of professionalism in the multifamily housing industry to better serve the rental housing needs of the public.

#### Purpose

The purpose of this statement is to assist NAA, to articulate a comprehensive and disciplined investment program for the portfolio by:

- Stating in a written document NAA's attitudes, expectations, and objectives regarding the investment of the portfolio's assets;
- Clearly defining the separate responsibilities of NAA's Investment Subcommittee, Budget and Finance Committee, the Treasurer and CEO, the Investment Consultant(s), and the Investment Manager(s);
- Providing specific performance criteria against which to evaluate the performance of the Investment Manager(s).

#### Investment Subcommittee

The Investment Subcommittee is comprised of eight members. The members of the subcommittee include the past Treasurer, current Treasurer, incoming Treasurer plus three other members who will be appointed by the current Treasurer and two representatives of the NAA Education Institute. Two of the three other members appointed by the Treasurer will also be

members of the Budget and Finance Committee. The Treasurer will also appoint the chair of the subcommittee.

#### DELEGATION OF RESPONSIBILITIES (outlined in Addendum A)

##### Responsibilities of NAA's Board of Directors

- Review and approve the Investment Policy Statement as provided by the Budget and Finance Committee

##### Responsibilities of NAA's Budget and Finance Committee

- Establish reasonable investment objectives and have overall oversight responsibility.
- Invest the portfolio in good faith and with the care of an ordinarily prudent person in a like position would exercise under similar circumstances, considering the purposes, terms, distribution requirements, and other circumstances of the investment portfolio.
- Review investment policy guidelines (the "Investment Policy Statement") which are consistent with the investment objectives; review annually at the time of the year-end financial report for any necessary revisions. Recommend the Investment Policy Statement (IPS) to the Board for approval.
- Approve the amount of funds in the Operating Fund, and the Long-Term Fund.
- Approve the transfer of funds from the Long-Term Fund into the Operating Fund after an annual snapshot of the portfolio return of the Long-Term Fund. Inform the NAA Board of such transfers in a timely manner.
- Select (and propose discharge of) the Investment Consultant(s) for approval by NAA

##### Responsibilities of NAA's Investment Subcommittee

- Initial overall oversight responsibility;
- Develop investment policy guidelines (the "Investment Policy Statement") which are consistent with the investment objectives, review annually at the time of the year-end financial report for any necessary revisions. Recommend the Investment Policy Statement (IPS) to the Budget and Finance Committee for their review.
- Review and recommend the target asset allocation to the Budget and Finance Committee.
- Review portfolio performance reports provided by the Investment Consultant on a quarterly basis and ask hard questions when the performance of either the entire portfolio or a specific portfolio manager is below the relevant benchmark.

- Perform due diligence on the selection (and propose the potential discharge of) the Investment Consultant(s) for approval by NAA

#### Responsibilities of NAA's CFO/Vice President and Treasurer

- Determine the required cash balance necessary for the Operating Fund.
- Carry out the operational responsibility of account opening, and other administrative matters related to the operation of the Operating Fund and the Long-Term Fund. Including, recommending the transfer of funds from the Long-Term Fund into the Operating Fund after an annual snapshot of the portfolio return of the Long-Term Fund.
- Along with the Investment Subcommittee, review portfolio performance reports provided by the Investment Consultant on a quarterly basis
- Prepare, on a monthly basis, a schedule of investments, year-to-date interest and dividend income, current yield on investments, and rate of return on an annual basis.

#### Responsibilities of the Investment Consultant

- Take the role of a discretionary consultant with fiduciary responsibility in keeping consistent with NAA's investment objectives, policies, guidelines, and constraints as set forth in this investment policy.
- Assist NAA in establishing investment objectives.
- Provide asset allocation modeling to help NAA make prudent decisions related to the selection of the target asset allocation model.
- Proactively make tactical asset allocation changes based on the prevailing or anticipated market environment.
- Rebalance the portfolio based upon the approved rebalancing discipline further outlined within this Investment Policy.
- Hire and replace Investment Manager(s) and provide, at least annually, an analysis of the mix of money managers to include their performance, risk statistics, universe rankings and other metrics to the Investment Subcommittee.
- Perform due diligence duties in connection with investment manager searches, performance evaluation and other issues affecting the decision to retain or replace an Investment Manager.
- Communicate with the CFO/Vice President and Treasurer regarding all matters pertaining to the investment of the portfolio's assets.

- Present a market overview and a review of the portfolio's performance at the Investment Subcommittee and Budget and Finance Committee meetings.

#### Responsibilities of the Investment Manager(s)

- Manage in accordance with the policy guidelines and objectives expressed herein,
- Exercise complete investment discretion, including decisions to buy, hold and sell equities, cash equivalents, and fixed income securities in the amounts and proportions reflective of the manager's current investment strategy and compatible with NAA's guidelines.
- Communicate with the Investment Consultant(s) regarding all significant matters pertaining to the investment of the portfolio's assets, including changes in the investment strategy, asset mix, portfolio structure, and market value of the portfolio's assets.

#### NAA "Operating Fund"

The purpose of the Operating Fund is to provide sufficient cash to meet the financial obligations and unanticipated needs of NAA in a timely manner. The amount of the Operating Fund will be determined based upon the organization's ongoing needs. The amount will be reviewed at least annually by the Budget and Finance Committee.

#### Investment Objectives

The investment objectives of these funds are as follows:

1. Preservation of Capital
2. Liquidity

#### Allowable Investments

- Federally Insured Certificates of Deposit not to exceed the FDIC limit including interest at commercial banks or savings and loans institutions
- Money Market Funds
- Interest bearing checking accounts in federally insured banks and savings and loans not to exceed federally insured amounts.
- Repurchase agreements with institutions whose senior debt rating is rated double A or better by Standard & Poor's and/or Moody's or where physical delivery of the collateral is made to a third-party custodian.
- Mutual funds which invest in investment-grade short-term fixed income securities.

## NAA's "Long-Term Fund"

The purpose of the Long-Term Fund is to enhance the purchasing power of funds held for future expenditure and to maintain the financial stability of the association. The Long-Term Fund should hold all funds beyond those in the Operating and Short-Term Funds.

### Investment Objectives

The primary investment objectives of the Long-Term Fund are:

1. Long term asset growth
2. Income to meet NAA budget requirements
3. Optimize returns while minimizing risk through diversification and asset allocation.

The Long-Term Fund performance will be measured in a multi-dimensional way. The following are the performance goals measured over a complete market cycle (usually 3-5 years):

1. Achieve an average annual rate of CPI +3%, or higher.
2. Achieve a rate of return, net of fees which meets or exceeds, the broad market benchmark (comprised of the weighted average return of the applicable indices)
3. Achieve a risk-adjusted return, net of fees, greater than the board market benchmark.

### Investment Philosophy

NAA recognizes that risk (i.e. the uncertainty of future events), volatility (i.e. the potential for variability of asset values) and the potential loss in purchasing power due to inflation are present to some degree with all types of investment vehicles. The assumption of a level of risk that is commensurate with NAA's objectives is warranted in order to allow the investment portfolio the opportunity to achieve satisfactory results consistent with the objectives and characteristics of the portfolio. Objectives will be measured by results achieved over a three-year moving period.

The objective of the account is to pursue a long-term goal designed to maximize the returns without exposure to undue risk, as defined herein. Whereas it is understood that fluctuating rates of return are characteristic of the securities markets, the greatest concern is long-term appreciation of the assets and consistency of total portfolio return.

### Risk, Volatility and Loss

NAA will accept the portfolio exhibiting volatility characteristics that approximate the volatility of the blended benchmark. Nonetheless, it is NAA's preference that the maximum losses incurred by the portfolio in any one year, not exceed that of the comparative index. The Investment Manager should take actions to minimize losses.

### Asset Allocation

It is understood that due to market movements and due to Tactical adjustments, the asset allocation at any given time will vary from the target allocation. It will therefore be necessary to periodically rebalance the portfolio to the targeted asset allocation. As a result of the asset allocation analysis, establishing and maintaining the following asset mix would best serve the objectives of the Long-Term Fund:

Asset Category: Tactical Range

<b>Cash</b>	<b>0-20%</b>
<b>Equities</b>	<b>30-70%</b>
<b>Fixed Income</b>	<b>20-60%</b>
<b>Alternative Investments</b>	<b>0-30%</b>

\* **Note:** For the first 18-24 months after changing Investment Consultant(s) or during drastic economic periods, portfolio allocations may be gradually brought to target allocations as listed above. Therefore, allocations for any asset class may deviate significantly from the target and the range during such periods – such situations will not be considered a violation of this investment policy statement. Additionally, all active Investment Managers will be considered fully invested regardless of their cash holdings when comparing their performance with the benchmarks and for the purposes of policy compliance and rebalancing values.

#### Re-balancing Procedures and Additions to the Operating Fund

The ranges set forth above are intended to act as thresholds that should be reviewed quarterly by NAA after receipt of quarterly investment reports from the Investment Consultant(s). The Investment Consultant(s) will regularly monitor the portfolio for any variations from target allocations. The following discipline will be followed for rebalancing:

If the actual allocation in any of the four major asset classes (Equities, Fixed Income, Alternatives and Cash) varies from the target by at least 5% in absolute value (for example, if 35% in fixed income was to go down to 30% or go up to 40% of total portfolio value), it will call for rebalancing of the portfolio back to the target amounts.

If possible, new cash flows should be used for rebalancing. If new cash is not available, current investments should be bought and sold to achieve the target asset allocation.

Especially during periods of excess market return over the annual CPI +3% target, the Investment Subcommittee reserves the right to transfer funds up to the amount of excess return over annual target into the Operating Fund. During market periods when the portfolio has not achieved its annual CPI +3%% target return, such transfers from the Long-Term Fund into the Operating Fund are permitted only with Board approval.

#### Diversification, Marketability, Yield and Quality Consideration

Seeking to establish a diversified program of investments, Fund assets shall be invested under the management of one or more registered investment advisors, variable and/or fixed annuities, mutual funds, alternative investments (with limits, as discussed under the section “Alternative Investments” below) and/or Index-Linked Exchange Traded Funds (ETF) or Unit Investment Trusts (UITs) in portfolios of Domestic (U.S.) Equities, Domestic Fixed Income, and International Equities. Investment vehicles and amounts allocated to each vehicle may change after a thorough review of the capital markets.

The types of stocks and market capitalization of the companies purchased for the portfolio are within the discretion of the investment manager. The manager is expressly permitted to invest in small, medium, and large capitalization stocks.

#### Equity Portfolio

- Equity holding in any one company in each investment advisor's portfolio may not exceed 7.5% of portfolio at cost or 10% of account value (except in mutual funds or other pooled investments).
- Equity holding in non-U.S. based companies may not exceed 30% of the market value of the portfolio.
- Equity securities shall in general possess value and quality corroborated by accepted techniques and standards of fundamental and technical analysis.

#### Fixed Income Portfolio

- Fixed Income can be managed both actively, utilizing individual bond ladders, bond mutual funds, and Fixed Income investment managers, or passively using index-based Exchange Traded Funds. For active management of Fixed Income, the following guidelines apply:
  - Active management is meant to include shifting sector emphasis as well as affecting other prudent strategies that enhance the portfolio or decrease the volatility or exposure to capital depreciation. However, the weighted average maturity of the portfolio must be 10 years or less.
  - The diversification of fixed income securities by maturity, sector, and geography is the responsibility of the Investment Consultant or Investment Manager.
  - Fixed Income securities shall be invested in marketable, fixed income securities of intermediate-term maturity with an average rating of no less than "A", or investment grade, as rated by Standard and Poors or Moody's.
  - The following instruments are acceptable:
    - a. Commercial Paper or Variable Rate Notes of P-1 or equivalent rating.
    - b. Certificates of Deposit and Bankers Acceptances (A-rated or above)
    - c. United States Treasury Bonds, Notes and Bills.
    - d. Repurchase agreements with U.S. Treasury Securities and agencies of the U.S. Government as collateral.
    - e. Debt instruments of the U.S. Government or its agencies.
    - f. Fixed annuities with underlying fixed income instruments.
    - g. Corporate debt issues with an investment grade rating from a major bond-rating agency such as Moody's or Standard and Poors (BBB-rated or higher).
    - h. Convertible, High Yield, and International Bond Mutual Funds
    - i. Exchange-Traded Funds

- Individual bonds that are split rated will, for the purposes of this portfolio, be considered investment grade and thus eligible for purchase. Split rated bonds are defined as bonds that have an investment grade rating with Standard & Poors and a non-investment grade rating with Moody's or vice versa.
- Individual high yield bonds may be purchased by a professional money manager who is hired to manage these investments opportunistically.
- Fixed income exposure to any specific industry group may not exceed 20% of the market value of the total portfolio.
- Fixed Income holding of a single issuer may not exceed 10% of the market value of the total portfolio.
- The portfolio diversification requirements do not pertain to investments in debt securities issued by the United States Government or its fully guaranteed agencies.

#### Alternative Investments Portfolio

- A range of alternative investments may be considered prudent to be included in the overall asset allocation with the objective of creating favorable risk-reward characteristics for the overall portfolio. These alternative investments may include Private Equity, Managed Futures (Limited Partnerships), Hedge Funds, Liquid Alternatives or Hedge Replication Strategies, Inflation-Indexed Securities, Hedged Portfolios using Put and Call Options, Real Assets/Natural Resources and Commodities.
- The target allocation for such diversified alternative investments may range from 0%-30% of the total market value of the portfolio. However, no more than 10% of the alternative investments may be invested in any one sub-category such as Hedge Fund of Funds, Managed Futures, Private Equity, unless allocated to a liquid investment structure such as liquid alternatives or hedge replication strategies. This allocation is limited due to the high risk, long-term, illiquid nature of such commitments.
- NAA recognizes that while such alternative investments may carry a higher degree of risk if considered on their own, they may potentially reduce total portfolio risk and enhance total portfolio return since they may be uncorrelated to other asset classes in the portfolio mix.

#### Cash Equivalents Portfolio

- It is desirable that the Investment Manager use interest-bearing money market funds and other cash equivalent securities with a maturity of 1 year or less. NAA understands that at certain times attractive opportunities might arise with securities with longer maturities. The manager is permitted to invest in such securities.

#### Prohibited Transactions (except if executed in Alternative Investments).

- Purchase of securities on margin, options of all types, letter stock, private placements, securities whose issuers have filed a petition for bankruptcy, short sales, tax exempt

securities, and warrants are prohibited, unless purchased as part of the “alternative investment” allocation or if purchased by a mutual fund for the purpose of hedging or risk reduction.

- The manager shall not purchase assets other than those mentioned as being appropriate in this statement, without the written consent of NAA

#### Fund Performance Benchmarks

Investment Managers will be evaluated, over a three-to-five-year period, against their respective benchmarks and peer groups. For example, a Large Cap Value manager will be compared against the Russell 1000 Value and the PSN or Morningstar Large Cap Value Universes.

For purposes of performance evaluation against the relevant benchmarks, calculation of current asset allocation percentages and for rebalancing decisions, each Investment Manager will be considered fully invested at all times during the performance measurement period regardless of the level of cash in each portfolio.

#### Review and Reporting

NAA's Investment Subcommittee will review on a quarterly basis written evaluations of performance against the investment policies and benchmarks set forth above. The Committee will also review annual performance - the annual evaluation shall include the following:

A report of performance for each money manager for the past periods including the Last Quarter, Last 12 Months, Three Years and Since Inception – both absolute and relative to appropriate indices. Returns shall be annualized and calculated on a time-weighted basis for the total portfolio. All returns should include income and dividends.

Managers are expected to outperform their respective benchmark on a rolling 3–5-year period. Each manager's performance will be evaluated by the Investment Subcommittee annually and by the Investment Consultant quarterly.

Investment manager changes as well as tactical asset allocation shifts will be communicated in advance to provide the organization the ability to ask detailed questions and raise any potential concerns.

All actions taken by the Investment Consultant will be communicated to the CFO/Vice President within 24 hours, or as quickly as possible.

The Investment Consultant(s) will provide a quarterly performance summary and a detailed annual evaluation of the Operating Fund and the Long-Term Fund to the Treasurer and CFO/Vice President. The Treasurer and CFO/Vice President will ensure that the quarterly and annual reports are provided to the Investment Subcommittee.

The Investment Subcommittee shall meet with the Investment Consultant at least annually or as requested to review Fund investments and the current investment environment. At meetings, the written and oral presentations shall cover the following:

1. The quarterly report described above.
2. A review of the financial markets and economies that may affect the portfolio's performance.
3. Discussion of the rationale for performance results by relating them specifically to investment strategy and tactical decisions implemented during the current review period.
4. Discussion of the manager's specific strategy for the portfolio over the next period with specific reference to asset allocation and portfolio characteristics, as appropriate.
5. Supporting discussion of the next period's strategy with reference to manager's capital market and economic assumptions, as appropriate.
6. Discussion of NAA's needs, goals and objectives, if different from previous quarter.

Acceptance and Adoption:

The Investment Subcommittee has reviewed, approved and adopted this Investment Policy Statement for NAA's investment portfolios (the Funds). The Committee reserves the right to make any changes to this Investment Policy Statement as deemed necessary. All such changes will be made in writing and The Investment Consultant(s) and its designated Investment Consultant(s) will be duly informed.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

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Date

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Signature

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Name and Title

\_\_\_\_\_  
Date

Addendum A – Decision Process Summary

<b>Decision/Task</b>	<b>Responsibility/Authority</b>	<b>Frequency</b>
Investment Policy Statement: Develop and recommend for review to Budget and Finance Committee	NAA Investment Subcommittee	After initial design and approval, review end of each year
Investment Policy Statement: Review and recommend for approval to the Board of Directors	NAA Budget and Finance Committee	After initial design and approval, review end of each year
Authorize the movement of funds between the Long-Term Fund and the Short-Term Fund	NAA Budget and Finance Committee – duly inform the Board of such transfer.	Annually
Make target asset allocation recommendations	Investment Consultant	During Investment Policy Design and then ongoing based on market trends.
Review target asset allocation recommendations and recommend to Budget and Finance Committee for approval	NAA Investment Subcommittee	At time of Investment Policy Statement review and approval and then as recommended.
Investment manager(s) and other investment due diligence	Investment Consultant	Ongoing and based on discipline outlined in Investment Policy and Guidelines
investment manager(s) and other investment selection and/or replacement	Investment Consultant	Ongoing and based on discipline outlined in Investment Policy and Guidelines
Monitoring portfolio for adherence to target asset allocation	Investment Consultant	Ongoing and based on discipline outlined in Investment Policy and Guidelines
rebalancing and tactical shifts	Investment Consultant	Ongoing and based on discipline outlined in Investment Policy and Guidelines
Performance monitoring and reporting to NAA Investment Subcommittee	Investment Consultant	Quarterly detailed performance report & review

## Appendix 16: Disaster Response Plan

As the leading voice for the apartment industry, NAA has a responsibility to assist our members in times of disaster to help them get their businesses operational as quickly as possible to serve residents and those displaced as needed. It is important to remember that the role of NAA is to be an industry resource for our members and provide guidance on additional contributions to leverage our combined dollars. NAA should not be a source for local, first responder information (phone numbers for power companies, hospitals, etc.). We should not try to duplicate the efforts of local media or industry leaders/affiliates in the affected areas, but we should serve as an industry-specific resource in these situations. Our goal should be to broadly disseminate information to our members that they cannot get elsewhere.

Communication should flow through the appropriate channels and include members of the Disaster Response Team to maintain a single point of contact and a consistent message. NAA staff should exercise caution prior to contacting members in affected areas and always remember to balance the need for information with awareness that individuals and organizations will be tending to far more pressing needs during and immediately after a disaster. Outgoing public communication will be centralized on a live NAA blog for large-scale disasters. The blog will feature:

- Information on ongoing industry relief efforts, including any NAA donations
- NAA statement on the situation
- Updates from the state affiliate of the affected area with links to its resource page
- Links to NAA's disaster resources page
- Ways to help any industry charitable efforts

Internally, all questions regarding disaster or disaster relief efforts should be directed to the NAA disaster relief team. If the media calls, do not talk to them other than to say you're transferring them to the Manager, Public Relations; Director, Communications; or SVP, Marketing & Communications.

### **Pre-Disaster Preparedness:**

#### **Disaster Response Team:**

1. CEO – Spokesperson
2. COO
3. SVP, Marketing & Communications – Backup spokesperson
4. SVP, Member & Affiliate Services
5. SVP, Government Affairs
6. Director, Association Resources – Main point of contact
7. Customer Service Lead
8. Director, Communications – Third spokesperson/Coordinator with Director, Association Resources

### **Holding Statements:**

**Natural Disaster:** “NAA is in contact with the state and local affiliates that have been impacted by (disaster). We are working with our affiliate network and members to provide them resources and information that will allow them to get their business back online as soon as possible.”

#### **Post-Disaster Housing:**

NAA is working with its state and local affiliates to help displaced residents find suitable housing. Our suppliers have developed housing portals dedicated to those affected by (disaster). More information on available housing can be found at (URL).

**Terrorism/Active Shooter:**

NAA is aware of the situation at (location), is in touch with its (affiliate or member) and is monitoring the situation. I refer you to (local law enforcement) for any further information.

**Post-Terrorism/Active Shooter:**

The National Apartment Association (NAA) and the entire apartment housing industry are deeply saddened by the senseless act of violence in (location). We mourn for the victims, their families and the entire (location) community as they deal with the aftermath of this tragedy. Considering the ongoing nature of this investigation, we recommend you contact your (local law enforcement) for any further information.

**Donation Guideline Policy:**

Charitable contributions are an important part of the Cycle of Disaster Relief (CDR).

- Phase 1: Safety, Rescue and Restoring Order
- Phase 2: Recovery
- Phase 3: Rebuilding
- Phase 4: Mitigating Future Disasters

NAA will donate up to \$10,000 to an approved charity that focuses on disaster relief through all stages of recovery who has an existing relationship with the state affiliate where the disaster occurred. In cases where there is not an approved disaster relief related state affiliate charity, or when the disaster crosses multiple states, the donation will go to the American Red Cross, in its role as the single organization with a national infrastructure to put aid to immediate use. Once the donation is made, NAA will alert members via standard communication channels and provide the link for further industry assistance.

If forecasts are certain that a clear and present danger exists, and substantial damage is sure to occur, NAA may contribute to the American Red Cross in advance of the disaster which allows for immediate industry outreach to maximize assistance.

Affiliates may wish to contribute to the same charity as NAA or to their own endorsed charity. The NAA G.I.V.E.S. section of the website will list all endorsed state and local affiliate charities that have been vetted and have related missions. Criteria used in the evaluation of the donation amount will include the significant impact on the industry in the affected area and one or more of these post-event factors:

- State of Emergency declared by Governor
- Federal Disaster Area declared by President
- FEMA/Red Cross mobilized

In cases of terrorism/active shooters, NAA will consult with the state (or local if no state) affiliate to determine if the affected property, victim(s) or perpetrator are members and if there is an established fund for donations. Donations will be made as appropriate up to \$10,000. Anything above that will require board approval.

## **Natural Disaster Communication**

### **Pre-Disaster Plan:**

**Applies to:** Pending disasters

**Examples:** Hurricanes, Blizzards,

### **Steps:**

1. Identify the pending emergency, potentially affected areas/affiliates and notify relevant staff to fulfill their responsibilities for the below steps.

**Persons responsible:** *SVP, Marketing & Communications; Director, Communications*

2. Contact state and/or local affiliate in areas that may be affected
  - a. Determine what resources are needed
  - b. Ask what is being done to prepare
  - c. Request to be kept updated and included on any calls/status updates
  - d. Make it known NAA's resources are available
  - e. Determine when it is appropriate for NAA to act on their behalf
  - f. Provide point of contact

**Person responsible for this:** *Director, Association Resources; Backup: Director, Communications*

3. Contact all government and relief agencies NAA has already established relationship with to verify and confirm what actions will be taken if there is severe damage, who to contact, agency information, etc., and send to Editor-In-Chief, *units Magazine* for live blog

**Person responsible for this:** *SVP, Government Affairs; Communications Manager, Government Affairs*

4. Mobilize Communications Efforts
  - a. Publish/make prominent NAA Emergency Preparedness webpage containing social media feeds, NAA statement, relevant resources  
**Person responsible:** *Manager, Digital Content; Backups: Manager, Digital Media; Web Production Specialist*
  - b. Create/post prepared NAA statement  
**Person responsible:** *Manager, Public Relations; Backup: Director, Communications*
  - c. Send broadcast email to affected members who may be affected, reflecting the same sentiment as the prepared statement above  
**Person responsible:** *Manager, Digital Media; Backup: Manager, Digital Content*
  - d. Send brief messages to NAA social media channels to direct audience to Emergency webpage  
**Person responsible:** *Manager, Digital Media; Backups: Manager, Digital Content; Director, Communications*

### **Immediate Aftermath Plan:**

**Applies to:** Immediate (1-5 days) recovery following a disaster. Applicable to all disasters

**Examples:** Post-hurricanes, tornadoes, wildfires

### **Steps:**

1. Contact affected state and/or local affiliate
  - a. See how state and local affiliates fared
  - b. Determine what needs are
  - c. Make it known NAA resources are available
  - d. Request to be included on status updates/calls
  - e. Provide point of contact

**Persons responsible:** Director, Association Resources; Backup: Director, Communications

2. Contact RVPs if affiliates not reachable

**Person responsible:** Director, Association Resources; Backup: SVP, Affiliate & Member Engagement

3. Publish blog post that will be updated with new information from:

- a. Government agencies
- b. Red Cross donation site
- c. Industry members coordinating relief efforts
- d. Housing portal information for displaced residents

**Person Responsible:** Editor-in-Chief, units Magazine; Backup: Editor, Online Publications

4. Mobilize Social Media Effort

- a. If needed, email affiliate members for affiliate
- b. Update social media with ways to help, NAA is helping, reminder of resources available, etc.
- c. In the case of a large-scale disaster, like Hurricane Harvey, Superstorm Sandy, coordinate with Communications, Membership and GA departments for an update for all NAA members, including any donations to relief organizations

**Person Responsible:** Manager, Digital Media Backups; Manager, Digital Content; Director, Communications

5. Media Relations

- a. Updated statement if necessary
- b. Provide affiliate support for media inquiries, statements and press releases
- c. Monitor media for any news about the industry

**Person Responsible:** Manager, Public Relations; Backup: Director, Communications

### **Ongoing Recovery Plan:**

**Applies to:** Ongoing recovery efforts that last longer than five days following a disaster, involve displaced residents and more than one apartment community is affected.

**Examples:** Joplin Tornado, Superstorm Sandy

### **Steps:**

1. Stay in regular contact with affiliates to stay informed of recovery efforts.

**Person responsible for this:** Director, Association Resources; Backup: Director, Communications

2. Update the disaster blog with ways in which the industry and individual members or member companies can help based on the affiliates needs and organized efforts. Keep

the disaster resources posted to this page, but at this point ways to help should be given greater emphasis and the resources should be given a reduced emphasis.

**Person Responsible:** *Editor-in-Chief, units Magazine; Backup: Editor, Online Publications*

3. Share these ways to help frequently on social media channels if the recovery efforts taking place necessitate help from others.

**Person Responsible:** *Manager, Digital Media; Backups: Manager, Digital Content; Director, Communications*

4. Send an all-member email updating them on what NAA is doing, what resources are available and how to contact NAA about gaps in what government agencies are doing during the recovery so that the Government Affairs team can carry that message to legislators and the appropriate agency leaders

**Person Responsible:** *Manager, Digital Media Backups: Manager, Digital Content; Director, Communications*

### **Terrorism/Active Shooter Communication**

#### **Post-incident:**

**Applies to:** Terrorist Attack, Active Shooter

#### **Steps:**

1. Have holding statement ready in case of any inquiries and notify customer service that all calls regarding the incident should go to the communications department. **No proactive outreach should be done**

**Person responsible:** *Director, Communications; Backups: Manager, Public Relations; SVP, Marketing & Communications*

2. Contact state and/or local affiliates in the area where the incident occurred
  - a. Determine if property, victims, or perpetrator are members to determine the appropriate response
  - b. Gather as much background as possible
  - c. Make it known that NAA resources are available
  - d. If at a property, have affiliate coordinate with member company to get a head count on employees
  - e. If needed, send holding statement that state or local affiliate may use
  - f. Coordinate contact with affiliate to the member (or member's corporate headquarters) involved
  - g. If perpetrator is known to be in real estate, check database for activity records (Contact Database Specialist for assistance)
  - h. Provide point of contact

**Person responsible:** *Director, Association Resources; Backups: Director, Communications; Manager, Public Relations*

3. Refer any questions about those involved in the attack to the local authorities

**Person responsible:** *Director, Communications; Backups: Manager, Public & Media Relations*

4. Media relations (not proactive unless industry is specifically called out for being unsafe or exacerbating the situation)
  - a. Monitor news for significant developments involving the apartment industry
  - b. Field any incoming inquiries
  - c. Update statement as necessary
  - d. Develop talking points as the investigation develops

**Person responsible:** *Manager, Public Relations; Backup: Director, Communications*

### **Summary**

Following these guidelines should ensure that NAA anticipates all disasters to the best of its ability, stays on top of current developments, supports its affiliates and the NAA membership to the best of its ability through information and financial assistance and issues clear communications through all of its digital channels. As with any disaster, protocols may change, but this plan will serve as a guide for initial action.

7/2019

# Appendix 17: Data Use Sharing Policy

## Data Uses

The data collected by NAA is to be used to augment communications efforts with the industry. This would include current, past, and potential members. Additionally, the information obtained would be used to aid in the development of industry best practices as well as research.

## Communication with Current Members

NAA will use membership data to aid in targeting members to insure messages are going out to the appropriate audience, as opposed to the membership. Targeting our marketing programs regarding industry information, grassroots mobilization, product/services promotion, etc. will allow us to create a personalized membership experience based on the unique needs of the member.

## Communications with Past and Potential Members

NAA will use industry data to maintain communications with past and potential members. The goal will be to communicate the value of membership. The goal would be to convert them to become members or non-member customers of NAA products and services.

## Best Practices

Information collected that would contribute to the development of potential best practices will be used to create materials that would allow our members to operate their properties as efficiently and effectively as possible.

## Industry Research

Access to internal and external data sources will aid in the development industry research as well as research tools. The work product would be used to add to the value membership, promote industry knowledge, aid in public policy discussions, and increase the prominence of the industry with members of the media.

## Types of Data Sharing

The following is a brief outline on the conditions under which membership data is shared and staff proposes to share information with entities outside of the NAA affiliate network.

### Attendee Information with Conference Exhibitors and/or Sponsors

Goal	Cost	Data Shared	Confidentially	Staff
Benefit of Exhibiting	Apartmentalize Attendee List: \$800  Campus Connex Attendee List: \$120	<ul style="list-style-type: none"> <li>• Name</li> <li>• Title</li> <li>• Company</li> <li>• Address</li> <li>• E-mail</li> </ul>	<ul style="list-style-type: none"> <li>• None</li> <li>• Attendees can opt Out</li> </ul>	<ul style="list-style-type: none"> <li>• None</li> </ul>

Exhibitors of NAA conferences may be provided attendee contact information based on the information provided during the registration process. Attendees have the option to “opt out” of sharing their information during the registration process.

### Data Sharing with Suppliers

Goal	Cost	Data Shared	Confidentially	Staff Oversight
Benefit of NSC Membership	\$0.10 Per Name	<ul style="list-style-type: none"> <li>Name</li> <li>Company</li> <li>Address</li> <li>Phone Number</li> </ul>	<ul style="list-style-type: none"> <li>Non-disclosure with Mail House</li> </ul>	<ul style="list-style-type: none"> <li>Legal Agreement</li> </ul>

Members, of the National Suppliers Council can purchase all or parts of the NAA membership list for use in mailings. Participants in the program must comply with the following restrictions:

- The membership list must be sent to a third-party mail house.
- The mail house must sign a non-disclosure agreement stating that they will return the list to NAA and they will not provide it to another party.

### Data Sharing for the Benefit of the Members

Goal	Cost	Data Shared	Confidentially	Staff Oversight
Grow the Open-Door Program as a membership benefit and a non- dues	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Name</li> <li>Address</li> <li>Phone Number</li> <li>Demographic Information</li> </ul>	<ul style="list-style-type: none"> <li>Standard agreement language</li> </ul>	<ul style="list-style-type: none"> <li>Legal Agreement</li> <li>Staff Reviewing Messaging</li> </ul>

In connection with targeted membership benefits programs (i.e. the participants in the NAA Open Door program), staff will be able to provide access to the membership information outlined above. This information would be for communications with the members to promote products and/or services that would directly benefit the members and to verify membership status of the people seeking access to the products and/or services.

Generally, access to such products and services would provide special, pricing, terms, or a unique value that is not generally available to individuals in the market. Access to this type of data and the use would be governed by an agreement. The sharing of membership information will be monitored by staff.

### Data Sharing for the Benefit of National Apartment Association

Goal	Cost	Data Shared	Confidentially	Staff Oversight
To provide a strategic advantage to benefit NAA and its ability to serve the	<ul style="list-style-type: none"> <li>Negotiated</li> </ul>	<ul style="list-style-type: none"> <li>Negotiated</li> </ul>	<ul style="list-style-type: none"> <li>Custom Agreement</li> </ul>	<ul style="list-style-type: none"> <li>Legal Agreement</li> <li>Staff Reviewing</li> </ul>

Data sharing that would add to NAA's information resources would be considered as part of ongoing strategy by the NAA to gain access to information sources. The motivation for this strategy would be to:

- Seek out new members.
- Develop a body of data that would aid in development of benchmarking activities for NAA and affiliate use.
- Improve our ability to initiate advocacy efforts to protect the industry.

- Amass sources of data that could be used to provide industry research to enhance the knowledge of rental housing.

Participants in the program would be evaluated on a regular basis. Access to and use of the data would be subject to the agreement entered into by both parties.

# Appendix 18: NAA Conflict of Interest Policy and Confidentiality Statement

## National Apartment Association Conflict of Interest Policy

Adopted by the NAA Board of Directors 03/22/2004

It is the obligation of all employees, officers, and members of the Board of Directors of the National Apartment Association (NAA) and the National Apartment Education Institute (NAAEI) when acting on behalf of the Organization, to comply with all applicable federal, state, and foreign laws, to uphold the Principle and Purposes of the Organization, and to comport themselves in accordance with the highest standards of ethical business conduct. In furtherance of that goal, the Board of Directors of NAA has adopted the following policy in order to avoid or minimize possible conflicts between the personal interests of the persons subject to the policy and the interests of NAA/NAAEI.

### Preamble

The purpose of the policy is to ensure that decisions about NAA/NAAEI's operations and the use or disposition of NAA/NAAEI's assets are made solely in terms of the benefits to NAA/NAAEI and are not influenced by the possibility of private profit or other personal benefit accruing to the persons subject to this policy who take part in the decision. In addition to actual conflicts of interest, all persons subject to the policy are obliged to avoid actions that could be perceived or interpreted as being in conflict with the NAA/NAAEI's interest.

Conflicts of interest may occur when NAA/NAAEI enters into transactions with either nonprofit organizations or for-profit enterprises. To avoid actual, potential, or even the appearance of, conflicts of interests, persons subject to the policy should disclose any connection or relationship with organizations or enterprises doing business with NAA/NAAEI and refrain from participating in decisions affecting transactions between NAA/NAAEI and the other organization or enterprise. The mere existence of a connection or relationship shall not prevent a transaction from taking place, however, so long as: (i) the relationship is disclosed; (ii) disinterested individuals make the necessary decisions; and (iii) the terms of the transaction are fair and reasonably comparable to those available in other commercial transactions where the parties are entirely independent of one another.

### Policy

Employees, members of the Executive Committee, members of the Board of Directors and Committee Chairpersons (hereinafter referred to as the "Organization Representatives") of NAA/ NAAEI have a duty to be free from the influence of any conflicting interest when they represent NAA/ NAAEI or make recommendations with respect to dealings with third parties. They are expected to deal with suppliers, members, member companies, and all others doing business with NAA/ NAAEI on the sole basis of what is in the best interest of NAA/ NAAEI without favor or preference to third parties based on personal considerations.

- a. The Organization Representatives who deal with parties doing or seeking to do business with NAA/ NAAEI or who make recommendations with respect to such dealings or pass judgment upon them, shall not own any interest in or have any personal agreement or understanding with such third parties that might tend to influence the decision of the employees with respect to the business of NAA/ NAAEI, unless expressly authorized in writing after the interest, agreement, or understanding has been disclosed.
- b. No Organization Representative shall seek or accept, directly or indirectly, any personal payments, loans or services, excessive entertainment, or travel or gifts of more than

nominal value from any individual or business concern doing or seeking to do business with NAA/ NAAEI. (This provision shall not apply, however, to prevent Organization Representatives from accepting or making use of hotel rooms or entertainment provided by a hotel on a complimentary or upgraded basis in connection with a NAA conference, seminar, or school where such room or entertainment is part of the negotiations for or the overall contract with the hotel or conference facility. Such use facilitates the conduct of Organization business and thereby inures to the benefit of the Organization).

- c. No Organization Representative shall do business with a close relative on behalf of NAA/ NAAEI unless expressly authorized in writing after the relationship has been disclosed.

The requirement of freedom from conflicting interests extends to situations involving the close relatives of all Organization Representatives. Close relatives normally include spouse, parents, children, and brothers and sisters. Organization Representatives shall take reasonable steps to become informed of conflicting interests involving close relatives.

For such known actual or potential conflicts of interests involving close relatives, Organization Representatives shall, prior to NAA/NAAEI's doing business with organizations with which the close relatives are affiliated either as employees or as holders of beneficial interests in excess of five percent of the total beneficial interests, disclose in writing such conflicting interest.

With respect to all employees of NAA/NAAEI except for the President, the President has the ultimate authority to determine what remedial steps should be taken in situations involving an actual or potential conflict of interest. With respect to the President and Organization Representatives, except for employees and the Chairman of the Board, the Chairman has the ultimate authority to determine what remedial steps should be taken in situations involving an actual or potential conflict of interest. With respect to the Chairman, the Executive Committee of NAA/NAAEI has the ultimate authority to determine what remedial steps should be taken in situations involving an actual or potential conflict of interest.

As used in this policy, Organization Representatives shall include all employees of NAA/NAAEI and members of NAA's Executive Committee, voting members of NAA's Board of Directors and all NAA Committee Chairpersons as set forth in NAA/NAAEI's Bylaws.

References to NAA/NAAEI shall, where appropriate in light of the context of the language and purposes of this policy, be interpreted to include NAA/NAAEI, a Virginia nonprofit corporation.

**Conflict of Interest Compliance Certification**

I have received and carefully read the conflict-of-interest policy of NAA/NAAEI.

In the event that I become aware of any situation that poses an actual, potential, or the appearance of, conflict of interest between me and NAA/NAAEI or between my close relatives (as defined in the policy) and NAA/ NAAEI, I shall promptly disclose all pertinent acts to the President, Chairman of the Board, or publicly to the Board of Directors.

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Signature

Date

---

Printed Name

Position with NAA/NAAEI

## National Apartment Association Conflict of Interest Policy Addendum

### Disclosure of Leadership Activities with Other Real Estate Entities

I am a voting member in the leadership of the following NAA Affiliate(s):

Affiliate Name	Position	Term

I am a voting member in the national leadership of the following real estate industry organization:

Organization Name	Position	Term

### Disclosure of Other Known Conflicts

I am disclosing the following known conflicts:

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### CONFIDENTIAL INFORMATION

Confidential information disclosed to members of the National Apartment Association (NAA) Board or Executive Staff must be treated as confidential and not disclosed to third parties. They may not use or disclose confidential information except as authorized by NAA, and they should make their best efforts to prevent unauthorized disclosure.

“Confidential information” includes that which is marked “Confidential”, or which reasonably should be understood as expected to be kept in confidence, as well as deliberations, discussions, and debates on those matters, unless the information is available through public sources. It does not include publicly available information.

Unauthorized disclosure of confidential information could cause irreparable harm and significant injury to NAA and its members. Upon request, any confidential information will be returned to NAA.

In the event I receive or am exposed to NAA confidential information, I agree not to disclose the confidential information to any third party. Should I become unable to abide by this commitment, I shall withdraw from the body (Board, Council, Committee, Task Force) through which I received the confidential information.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

# Appendix 19: Hall of Fame (HOF) Selection Process

## Hall of Fame Award

### Qualifications for Consideration

1. The Recipient must be a former or current member of NAA.
2. The Recipient must be a current or former owner/manager from the Rental Housing Industry.
3. The Recipient must not have agreed to serve on the Hall of Fame Committee during the year they are being considered.

### Presentation

1. The committee can select for a Hall of Fame recipient but is not required to select one every year
2. The presentation of the award will be at the June conference
3. The recipient will be notified by the current Chairman of the Board of NAA prior to the June conference and will be given the opportunity to make comments at the presentation

### Committee Procedures

1. Committee Composition – The Hall of Fame Committee will be comprised of 9 members:
  - a. Committee Chair. The Immediate Past Chairman of the Board of NAA (1)
  - b. Hall of Fame Recipients. The three (3) most recent Hall of Fame recipients willing to serve
  - c. Most recent Past Chairman of NAA willing to serve who is not the current Chair. (1)
  - d. Chairman-Elect of NAA (1)
  - e. Voting RVPs of NAA Board of Directors. The committee chair will appoint 3 voting RVPs from the NAA Board of Directors who have served at least one (1) full term

### Outreach

NAA Staff shall post on NAA's website a Call for Recommendations from February 1 to March 31 of each year. A Call for Recommendations for consideration to the Hall of Fame should also be announced at the governance meeting held in conjunction with Advocate.

### Recommendation Period

Recommendations may be made from February 1 until March 31<sup>d</sup> each year. Any member of NAA, including Hall of Fame committee members, may recommend one or more persons for consideration that meets the qualifications. Persons recommended for Hall of Fame consideration will not be informed because of the need for confidentiality and secrecy.

### Award Selection Process

#### Meetings

1. February or March. The Committee will meet telephonically prior to Advocate to review the policies and procedures for the Hall of Fame Committee, the selection process, and need for confidentiality and secrecy with regards to the documents and all discussions concerning potential nominees.
2. April. The Committee will meet telephonically one or more times to review all persons recommended for consideration as Hall of Fame inductee. Each call shall have all 9 members participating. The committee must make its selection no later than April 30 of each year.

- a. Preliminary Discussion: If a committee member recommends a candidate for consideration, they will be asked to take the lead in explaining the candidate's worthiness. If recommended by someone outside the committee, the Chairman shall assign a committee member to contact the person recommending the candidate for consideration and the committee member shall take the lead in explaining the candidate's worthiness. All committee members, however, are encouraged to comment on the worthiness of any candidate.
- b. Preliminary Consideration: At the conclusion of the discussion, the Chairman shall direct all 9 members to vote electronically for all candidates they feel are worthy of further consideration. Each member may vote for one or more candidates. It is the intention of this committee that each vote by members be conducted secretly and not discussed with any other anyone outside the Committee Candidates receiving at least 5 votes will merit further consideration.
- c. Selection Final Candidate: At the conclusion of the first round of voting, the committee shall vote electronically for the final candidate for consideration. Each committee member may vote for only one of the remaining candidates. The person receiving the most votes shall be selected as the sole remaining candidate. If there is a tie and no candidate receives more votes than the others, the committee shall re-vote for the candidates receiving the highest vote totals until a finalist is selected.
- d. Final Selection: Once the field of persons being considered is down to one person, the Committee Chair shall direct all 9 members of the committee to vote yes or no vote directly to the designated NAA staff representative. It is the intention of this committee that each vote by members be conducted secretly and not discussed with any other committee member or the general public. The NAA staff representative will count all the ballots and present the findings to the Committee Chair. To be selected, the final candidate shall receive 7 affirmative votes. If they do not receive 7 votes, no award shall be given.
- e. The committee Chair will notify the NAA Chairman of the Board if a nominee was selected to receive the Hall of Fame Award.

#### Notification

1. The Board Chairman of NAA shall personally contact the nominee by May 5.
2. NAA will announce the Award Recipient immediately after notification by the Chairman.

#### Changes to the Procedure

All changes to this procedure must be approved by the Board of Directors.

# Appendix 20: Lifetime Achievement Award (LAA) Selection Process

## Lifetime Achievement Award

### Qualifications for Consideration

1. The Recipient must be a former or current member of NAA.
2. The Recipient must be:
  - a. Association Staff Category - a current or former Association staff member from an Affiliated Association.
  - b. Product Service Member Category - a current or former employee or a supplier member from the Rental Housing Industry.
3. The Recipient must not have agreed to serve on the Lifetime Achievement Selection Committee during the year they are being considered.

The committee can select a recipient for the Lifetime Achievement Award but is not required to select one every year.

1. The presentation of the award will be at the Assembly of Delegates meeting in November.
2. The recipients will be notified by the current Chairman of the Board of NAA prior to the Fall Board Meeting and will be given the opportunity to make comments at the presentation.

### **Committee Procedures**

1. Committee Composition – The Lifetime Achievement Selection Committee will be comprised of 11 members:
  - a. Committee Chair. The Immediate Past Chairman of the Board.
  - b. All members of the Hall of Fame Selection Committee.
  - c. Immediate Past President of the AEC; and
  - d. Immediate Past Chairman of the NSC.
2. Outreach – NAA Staff shall post on NAA's website a Call for Recommendations from June 15 to July 31 of each year. A call for recommendations for consideration for Lifetime Achievement Awards should also be announced at Apartmentalize
3. Recommendation Period – Recommendations may be made until July 31 of each year. Any member of NAA, including Lifetime Achievement Selection Committee members, may recommend one or more persons for consideration that meets the qualifications. Persons recommended for Lifetime Achievement consideration will not be informed because of the need for confidentiality and secrecy.
4. Award Selection Process
  - a. **Meeting** – The Committee will meet telephonically prior to Fall Board Meeting to review the policies and procedures for the Lifetime Achievement Selection Committee, the selection process, and need for confidentiality and secrecy with regards to the documents and all discussions concerning potential nominees. They will review all persons recommended for consideration as recipients of the Lifetime Achievement Award. Each call shall have all 11 members participating.
  - b. The committee must make its selection no later than September 10 of each year.
  - c. **Preliminary Discussion** – Prior to the meeting, the Chairman of the Committee shall assign a member the duty of presenting the case for the person recommended for the award. The members assigned this task should endeavor to learn about the

candidate and may wish to contact the person recommending the candidate for consideration and this committee member shall take the lead in explaining the candidate's worthiness. All committee members, however, are encouraged to comment on the worthiness of any candidate.

- d. **Preliminary Consideration** – At the conclusion of the discussion, the Chairman shall direct all 11 members to vote electronically for all candidates they feel are worthy of further consideration in each category. Each member may vote for one or more candidates. It is the intention of this committee that each vote by members be conducted secretly and not discussed with any other anyone outside the Committee.

Candidates receiving at least 6 votes will merit further consideration.

- e. **Selection of Final Candidate.** At the conclusion of the first round of voting, the committee shall vote electronically for the final candidate for consideration. Each committee member may vote for only one of the remaining candidates. The person receiving the most votes shall be selected as the sole remaining candidate. If there is a tie and no candidate receives more votes than the others, the committee shall re-vote for the candidates receiving the highest vote totals until a finalist is selected.

Final Selection – Once the field of persons being considered is down to the one person per category, the Committee Chair shall direct all 11 members of the committee to vote yes or no vote directly to the designated NAA staff representative. It is the intention of this committee that each vote by members be conducted secretly and not discussed with any other committee member or the general public. The NAA staff representative will count all the ballots and present the findings to the Committee Chair. To be selected, the final candidate shall receive 9 affirmative votes. If they do not receive 9 votes, no award shall be given.

The committee Chair will notify the NAA Chairman of the Board if Lifetime Achievement Awards recipients were selected.

#### Notification

The Board Chairman of NAA shall personally contact the nominee by September 30<sup>th</sup>. NAA will announce the Award Recipient immediately after notification by the Chairman.

#### Changes to the Procedures

All changes to this procedure must be approved by the Board of Directors.

## Appendix 21: NAA Past Chairmen of the Board and Emeritus Director - Recognition

### NAA Past Chairman

#### **Qualifications**

- The person has served as Chairman of NAA.

#### **Recognition and Benefits**

Person attaining this status shall be entitled to:

- Free Registration to all NAA conferences for themselves and their spouse or significant other.
- Preferred seating at NAA conferences.
- Invitation to attend Board receptions at NAA meetings.
- NAA staff assistance in reserving hotel rooms for NAA events (Individuals will be responsible for the room costs);
- Other benefits approved by the Executive Committee.

### **Emeritus Director – Recognition**

*\*\* approved Assembly of Delegates Meeting 2018*

#### **Qualifications**

- The person has served on the Board of Directors for eight or more years

#### **Recognition and Benefits**

Person attaining this status shall be entitled to:

- Invitations to board receptions
- Preferred seating at general sessions of national NAA meetings
- Discounted registration rates at NAA meetings enjoyed by current NAA board members.

\*\* This classification is an honorary recognition and does not grant any rights or privileges as a board member nor does it entitle the Emeritus Director member to attend or be a part of the current board.

### NAA Past Chairman

#### **Qualifications**

- The person has served as Chairman of NAA.

#### **Recognition and Benefits**

Person attaining this status shall be entitled to:

- Free Registration to all NAA conferences for themselves and their spouse or significant other.
- Preferred seating at NAA conferences.
- Invitation to attend Board receptions at NAA meetings.
- NAA staff assistance in reserving hotel rooms for NAA events (Individuals will be responsible for the room costs);
- Other benefits approved by the Executive Committee.

**Emeritus Director – Recognition** *\*\*approved Assembly of Delegates Meeting 2018*

**Qualifications**

- The person has served on the Board of Directors for eight or more years

**Recognition and Benefits**

Person attaining this status shall be entitled to:

- Invitations to board receptions
- Preferred seating at general sessions of national NAA meetings
- Discounted registration rates at NAA meetings enjoyed by current NAA board members.

\*\* This classification is an honorary recognition and does not grant any rights or privileges as a board member nor does it entitle the Emeritus Director member to attend or be a part of the current board.





