

The Volunteer Leadership Manual

**Adopted by the
Board of Directors
For the
National Auctioneers Association
July 6, 2008**

Revised October 11-12, 2010

Revised June 7, 2011

Revised June 4, 2013

Revised July 16, 2013

Revised April 9, 2014

Purpose of the Governance Document

In 2002, Congress passed the Sarbanes-Oxley Act (SOX), which applied primarily to public companies. SOX required these organizations to adhere to standards in governance that increased the oversight role of the Board of Directors. This legislation also provided a blueprint for nonprofit organizations, strengthening the oversight the Board of Directors have in financial transactions and auditing procedures.

SOX also delineates the need for the following:

- Conflicts of Interest statements
- Increased disclosure or transparency to the public
- Whistle-blower protection
- Document destruction and retention

According to the Internal Revenue Service, a well-governed nonprofit organization is more likely to obey the tax law, safeguard assets and serve its members interests better than one with poor governance. While tax law generally does not mandate a particular management structure, policies or practices, it is critical that the governance practices provide assurances of a sound operation and compliance with the tax law.

The main reporting tool the IRS uses for nonprofit organizations is the IRS FORM 990. The new IRS form 990 mandates that nonprofit organizations, including professional membership organizations like the NAA, file a form 990 to disclose governance practices. Fortunately, most of the stricter governance issues included on the newly revised Form 990 are the same ones addressed by SOX, including board independence, transparency, whistle-blower, document destruction and conflicts policies. The only exemption the IRS allows for filing a Form 990 is for organizations with less than one million dollars in revenues; this disqualifies the NAA. Many leaders in nonprofit organization expect that organizations with weak governance practices will be more likely to be required to undergo an IRS-audit.

While governance standards are rapidly evolving, the NAA must document current practices and regularly review these procedures.

In 2010, the Board approved the merger of the Good Governance documents with the Volunteer Leadership Manual. This provides all volunteers the most accurate and comprehensive picture of NAA governance possible. Using these documents with the NAA Code of Ethics and the NAA Bylaws covers all necessary practices used by the NAA Board of Directors and individual committees.

In 2013, the Board revised the Volunteer Leadership Manual to identify the way minutes for the meetings are approved (June 4, 2013) and to add various position descriptions to the manual (July 16, 2013). It was agreed that this manual should be transparent and thus will be posted on the NAA Website.

Unanimously approved initially by the NAA
Board of Directors
July 6, 2008

Revised by the Board of Directors
June 4, 2013

Revised by the NAA Board of Directors
October 11-12, 2010

Revised by the Board of Directors
July 16, 2013

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Code of Ethics

PREAMBLE

The National Auctioneers Association is the professional organization for practicing auctioneers, their associates, affiliated businesses and other related professionals. Membership in the NAA although voluntary, carries with it a requirement of professional commitment to other professionals, Clients, customers and the public at large that extends beyond that of laws and professional regulations. Members of the NAA accept this obligation to conduct themselves and their businesses in a manner that serves the public interest, protects the public trust and furthers the goals of their profession.

This Code of Ethics of the National Auctioneers Association and the accompanying Standards of Practice guides the Members in the performance of their professional responsibilities and duties. Complaints can be filed against NAA Members who do not adhere to the Code of Ethics and shall be handled in accordance with the procedures established by the Board of Directors.

ARTICLE 1.

Members pledge to lawfully and ethically protect and promote the interests of the seller (from now on referred to as the Client).

ARTICLE 2.

Members owe the buyer (from now on referred to as the Customer) the duties of honesty, integrity and fair dealing at all times.

ARTICLE 3.

Members shall not accept compensation related to a Client's matter from any third party, even if permitted by law, without the full knowledge of all the parties to the transaction.

ARTICLE 4.

Members shall disclose any potential conflict of interest to a current or potential Client.

ARTICLE 5.

Members shall not make a profit on expenditures made for a Client without the Client's prior and expressed consent.

ARTICLE 6.

Members shall not engage in activities that constitute the unauthorized practice of law.

ARTICLE 7.

Members shall maintain a separate and designated account in an appropriate financial institution to maintain monies coming into their possession in trust for other persons such as escrows or trust funds.

ARTICLE 8.

Members shall not disclose any confidential Client information without the Client's prior, expressed consent, unless required by law.

ARTICLE 9.

Members shall not misrepresent or conceal material facts.

ARTICLE 10.

Members are duty bound at all times to abide by the laws and regulations which govern them.

ARTICLE 11.

Members shall report violations of the Code of Ethics and participate in all investigations and disciplinary proceedings when requested.

ARTICLE 12.

A Member's conviction of a felony involving the Member acting as an auctioneer, or otherwise participating in an auction, shall be deemed a violation of the Code of Ethics and result in discipline determined by the Board of Directors.

ARTICLE 13.

During the period that a Member owes an unpaid and unsatisfied civil, criminal, or regulatory cost, damage, fine, judgment, penalty, sanction, or other amount which was awarded, entered, levied, or ordered against the Member by an agency, authority, board, bureau, commission, court, department, or other arm of government shall result in the Member being in violation of the Code of Ethics and subject to discipline determined by the Board of Directors.

ARTICLE 14.

A Member's auctioneer license is revoked by a licensing authority in any jurisdiction within the United States, for misconduct, wrongdoing, or another violation that occurred in connection with the Member acting as an auctioneer, or otherwise participating in an auction shall result in a Member being deemed in violation of the Code of Ethics and subject to discipline as determined by the Board of Directors.

PROCEDURE FOR COMPLAINT OF THE CODE OF ETHICS

Upon receipt of a written complaint alleging that a Member has violated the Code of Ethics, the Chief Executive Officer shall forward a copy of such written complaint to the accused Member and request that the accused Member provide a response in writing to such charges. The complainant and the written response shall be forwarded by the CEO to the Grievance Committee with the names of the complainant and accused Member redacted. The Grievance Committee shall thereafter undertake an investigation of the complaint and make a written report to the Board of Directors concerning said complaint. If there is a finding of no violation, the Member shall be notified.

If the finding includes a recommendation to the Board of Directors stating that there is a reasonable cause to believe that such Member has engaged in conduct in violation of the Code of Ethics, the Member against whom the complaint has been made will be notified of that decision and afforded an opportunity to respond to the complaint including allowing the accused to appear before the Board of Directors and present evidence in support of the Member position with the right of the Member to hire and be represented by counsel at such or hearing.

The parties may introduce such documentary evidence and present such testimony of witnesses, sworn by the Past President, as the Board of Directors shall reasonably deem relevant to the issues and both sides of the controversy shall be accorded a full opportunity to be heard. At the conclusion of the hearing, the Board of Directors, as soon as it is practically possible, but not later than two (2) weeks thereafter, shall consider the evidence and render a written opinion and decision.

Should the Board of Directors find a violation of the Code of Ethics, the Board of Directors shall also determine the discipline to be assessed which may include private censure, public censure, suspension and/or revocation from Membership. The decision shall be conveyed to the Member by certified mail.

STANDARDS OF PRACTICE

The following Standards of Practice are provided to encourage the highest standards of conduct among the Membership of National Auctioneers Association. These guidelines are a companion document to the Code of Ethics for the NAA. While the Standards of Practice may not be enforced with Membership sanctions, these guidelines should nonetheless be promoted, practiced and encouraged by NAA Members. Non-compliance of these guidelines should be self-policed by fellow NAA Members.

- Members must not build unreasonable expectations about the outcome of an auction in the mind of a potential Client in order to secure the Client's business.
- Members should conduct their business affairs so as to promote a positive image of their business and therefore the auction profession.
- Members shall provide customers with a clear understanding of all the terms and conditions of the auction. Prior to the auction, customers for real estate auctions should be provided a copy of the contract to be signed. Following the auction, customers for personal property auctions should be provided a written bill of sale.
- It is highly recommended that Members communicate terms and conditions of the sale in written form prior to the commencement of the bidding.
- Members should, to assure better service to the seller and to prevent misunderstandings, enter into written agreements or, at a minimum, clear oral agreements that set forth the specific terms and conditions of the engagement.
- Members have an obligation to conduct their business affairs in a professional manner, developing their contract forms with this Article in mind.
- Members should discuss all aspects of the services to be provided and include them in written form where appropriate including: duties and obligations of the parties; services provided by the Member; insurance coverage relating to liability, theft and casualty loss; use of a buyer's premium, if applicable; handling of funds received and controlled by the Member; sales tax, if applicable; and form of payment by buyers. Additionally, Members must provide the Client with a timely, detailed written accounting of the sale, which must include information concerning the handling and timely disposition of all funds received or controlled by the Member.
- Members shall provide the highest level of competent service in those fields in which Members are customarily engaged. This competency is attained by education, training, study, practice and experience. Competence also includes the wisdom to recognize the limitations of that

knowledge and when to seek the counsel, assistance or Client referral appropriate for the circumstances.

- The concept of competency also extends to Members who are requested or required to travel to geographic areas where they do not have recent auction experience. Members not in a position to spend the necessary time in a market area to obtain the appropriate understanding of market conditions may find affiliating with a qualified local auctioneer the appropriate response to ensure a competently conducted auction.
- Members must ascertain all pertinent facts necessary to implement a professional marketing campaign.
- Members should never publicly criticize a competitor using false or deceptive information. Where an opinion of a competitor's transaction is especially requested, it should be rendered in conformity with strict professional courtesy and dignity.
- Members shall not directly or indirectly solicit the affiliation of an employee or independent contractor in the organization of other Members without the prior notice to said Member.
- Members should willingly share with other Members the lessons learned through experience and study to better the profession, Members' business practices and how the profession is perceived by society. Members shall be loyal to the NAA; this includes active participation in educational, civic and charitable endeavors.
- In order for any professional organization to earn and maintain the confidence of the constituencies it serves, it must demonstrate to them the ability to "police" its own. Members have the unique ability to observe and therefore assist in the stewardship of this trust. Members have an obligation to assist the NAA and its officers in all matters, including the investigation, censure, discipline, or dismissal of Members who engage in violations of the Code of Ethics.

**Board of Directors, Education Institute (EI) Trustees and NAA Committees
Conflict of Interest Policy and Disclosure Form**

Members acting in the capacity as directors, officers, EI trustees, and committee members of the National Auctioneers Association (NAA) must at all times act in the best interests of the NAA. The Conflict of Interest policy is outlined in the NAA Code of Ethics for the Board, EI Trustees and Committee members. This form discloses any actual or potential conflicts of interests.

1. All conflicts of interest are not necessarily prohibited or harmful to NAA. However, full disclosure of all actual and potential conflicts, and a determination by the disinterested Board, Trustees or Committee member(s) – with the interested Board member(s) recused from participating in debates and voting on the matter are required.
2. All actual and potential conflicts of interest shall be disclosed by Board, EI Trustees, and Committee member(s) to the NAA Executive Committee or through the annual disclosure from and/or whenever a conflict arises. The disinterested members of the NAA Executive Committee shall make a determination as to whether a conflict exists and what subsequent action is appropriate (if any). The NAA Executive Committee shall inform the Board, EI Trustees, Committee member(s) of such determination and action. The Board shall retain the right to modify or reverse such determination and action, and shall retain the ultimate enforcement authority with respect to the interpretation and application of this policy.
3. Ideas, work products generated by the Board, EI Trustees, and Committee(s) are to be used by the NAA only and not for personal gain.
4. On an annual basis, all Board members, EI Trustees and Committee members shall be provided with a copy of the Code of Ethics and required to complete and sign that as well as this acknowledgement and disclosure form below. If at any time following the submission of this form, a Board member, EI Trustee or Committee member becomes aware of any actual or potential conflict, or if the information below becomes inaccurate or incomplete, he/she must notify the NAA President and CEO in writing.

Disclosure of Actual or Potential Conflicts of Interest:

Board Member/EI Trustee/Committee Member Signature

Board Member/EI Trustee/Committee Member Printed Name

Date

Whistleblower Background

A whistleblower policy establishes procedures to ensure the NAA's board members, officers, employees and others can report good faith suspicions of illegal, unethical or other inappropriate activity without fear of retaliation. The law does not require a nonprofit to have a whistleblower policy, but having such a policy illustrates the commitment by the Board of Directors to sound governance principles. Furthermore, the revised Form 990 released by the IRS in 2007 includes a question regarding the organization's adoption of a written whistleblower policy.

The whistleblower policy must clearly define a clear channel through which a person can report any suspected improper or illegal activity. The policy should indicate who a person can contact to submit a complaint or concern and the format for submitting complaints.

The policy is based on people acting in good faith to report concerns they have reason to believe are true. An organization could take disciplinary action against anyone who makes unfounded allegations that are proved to have been made recklessly, maliciously or with the foreknowledge they are false.

Whistleblower Policy

Purpose

To ensure that the National Auctioneers Association (NAA) complies with the highest standards of financial reporting and lawful and ethical behavior, the Board of Directors established the following procedure for the reporting of illegal or unethical conduct in connection with the NAA's finances or other aspects of its operations, and the retention and treatment of such complaints, including confidential, anonymous submissions received from employees or directors. As employees and volunteer representatives of the NAA, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Reporting Responsibility

Should any person know or have a reasonable belief that persons associated with the NAA plan to engage or have engaged in illegal or unethical conduct in connection with the finances or other aspect of the NAA's operations, that person should immediately file a complaint with the Chief Executive Officer. Employees of the NAA may submit complaints on a confidential, anonymous basis. If the complaint concerns the CEO, or the complainant is not comfortable reporting to the CEO, the complainant should notify the NAA Compliance Officer who is the Chairman of the Audit Committee. It is the responsibility of all directors, officers and employees to comply with, laws and policies and to report violations or suspected violations in accordance with the Whistleblower Policy.

No Retaliation

No director, officer or employee who in good faith reports a violation shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the NAA prior to seeking resolution outside the Association.

Reporting Violations

The NAA's open door policy suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However if you are not comfortable speaking with your supervisor or your are not satisfied with your supervisor's response, you are encouraged to speak with the CEO of the NAA or anyone in management whom you are comfortable in approaching. Supervisors and managers are required to report suspected violations to the CEO of the NAA, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or when you are not satisfied or uncomfortable with reporting to the CEO of the NAA of if the person in question is the CEO, individuals should contact the NAA Compliance Officer directly.

Compliance

The CEO will report all serious complaints to the chairman of the Audit Committee, or if the chairman is the subject of the complaint, to another member of the Audit committee. In appropriate circumstances, the CEO may report a complaint to the President of the Association or Past President of the Board of Directors. The Chairman of the Audit Committee or other committee member will promptly report the complaint to the full committee, except that the complaint will not be shared with an individual who is the subject of the complaint. All credible allegations will be followed up promptly, with further investigation conducted if needed to resolve disputed facts. In conducting its investigations the NAA will respect an employee's request for confidentially and/or anonymity and will strive to keep the identity of other complainants as confidential as possible, consistent with the need to conduct an adequate review and investigation.

The Audit Committee to which a complaint has been reported will inform the Board if any complaint is confirmed, or if the committee otherwise believes that the Board should be made aware of the situation. The Audit Committee will have ultimate authority over the treatment of any complaints reported to it, subject to the Board's oversight. The Audit Committee will ensure that records of all complaints are maintained in accordance with the NAA's document retention policy.

The NAA will take appropriate action in response to any complaints, including, but not limited to, disciplinary action (up to and including termination) against any person who, in the Organization's assessment, has engaged in misconduct and reporting such misconduct to the relevant civil or criminal authorities as required by law.

The NAA will not knowingly, with the intent to retaliate, take any action harmful to any person, including interference with lawful employment or livelihood, for reporting a complaint in good faith pursuant to this policy or to law enforcement officers, governmental agencies or persons with supervisory authority over the complainant. Likewise, there will be no punishment or other retaliation for providing information regarding a complaint in good faith or otherwise participating or assisting in a proceeding filed. An individual who deliberately or maliciously provides false information may be subject to disciplinary actions (up to and including termination).

Document Retention and Destruction

A written document-retention policy, consistently monitored over time, is essential for protecting the NAA's records of its governance and administration as well as business records that are required to demonstrate legal compliance. Such a policy also helps to protect against allegations of wrongdoing by the NAA or its directors, managers, Board members, staff and volunteers who all should be thoroughly familiar with the policy and informed of their responsibilities in carrying it out.

The attached page addresses the length of time specific type of documents must be retained, as well as when it is permissible or required to destroy them. This policy should provide guidance to staff for paper and electronic documents, files and e-mail messages.

Nonprofits are required to maintain permanently their organizational documents, board minutes, policies and tax-exempt status records. It is important that administrative personnel know the length of time records should be retained.

See attached chart of retention

**NATIONAL AUCTIONEERS ASSOCIATION
CHART OF DOCUMENT RETENTION TIMELINES**

| TYPE OF DOCUMENT | MINIMUM REQUIREMENT |
|--|-----------------------|
| Audit Reports | Permanently |
| Contracts (in effect) | Permanently |
| Correspondence (legal matters) | Permanently |
| Deeds, mortgages, bills of sale | Permanently |
| Depreciation schedules | Permanently |
| Yearend financial statements | Permanently |
| Insurance records (claims, policies) | Permanently |
| Minute books, bylaws, charter | Permanently |
| Retirement and pension records | Permanently |
| Tax returns and worksheets | Permanently |
| Trademark registrations and copyrights | Permanently |
| | |
| Accounts payable ledgers and schedules | 7 years |
| Expired contracts, notes, leases | 7 years |
| Inventories of products, materials, supplies | 7 years |
| Invoices to customers, from vendors | 7 years |
| Payroll records | 7 years |
| Personnel files | 7 years |
| Timesheets | 7 years |
| Withholding tax statements | 7 years |
| | |
| Bank statements | 3 years |
| Employment applications | 3 years |
| Insurance Policies (expired) | 3 years |
| Internal audit reports | 3 years |
| | |
| Correspondence, general | 2 years |
| Email related to organizational issues | Same as print version |
| Duplicate deposit slips | 2 years |

A Commitment to Transparency and Accountability

A nonprofit organization, such as the National Auctioneers Association, needs to make information about its operations, including its governance, finances, programs and activities widely available to its members and the public.

The principal reporting tool the IRS uses for nonprofit organization is the IRS Form-990. The National Auctioneers Association makes the completed Form 990 available to its members and the public through its website: www.auctioneers.org

Contact information for all members of the Board of Directors and staff is listed in Auctioneer magazine and is listed on the NAA web site. Audited financial statements are listed as well.

Information on the NAA's results and how they are measured can be a valuable means of explaining its work and accounting to members and the public. Such information, made readily available in an open and transparent way progressively moves the NAA into the public's eye and fosters openness and trust within the association.

The NAA Audit Committee would be charged with the responsibility of making sure the NAA remains open and transparent and the condition of its finances are readily available for all to see.

The Audit Committee

The 2002 Sarbanes Oxley Act instructs corporations to establish an audit committee and a method of maintaining adequate reporting procedures.

Responsibilities

The responsibilities of an audit committee are different from those of the finance committee, which the NAA current has. The charge of the finance committee is to review investment policies and monitor the spending and revenues of the association; the audit committee provides independent oversight into NAA's accounting and financial reporting and oversees the association's annual audit. In addition, as detailed in the NAA Whistleblower Policy, the chairman of the Audit Committee would be the designated Compliance Officer for the Association. The Audit Committee would be required to report annually on compliance activity.

Oversight for NAA would include the following areas:

1. Adequacy of internal controls (review of the fiscal operations manual).
2. Comparing and analyzing the compensation level of the chief staff officer.
3. Ensuring processes result in staff providing accurate reports to the Board.
4. Protection of employees raising concerns about serious accounting or auditing irregularities (whistleblower policy).
5. Review tax exempt status to ensure it is not in jeopardy.

Subject to the prior approval of the board, the committee is granted the authority to investigate any matter or activity involving financial accounting and financial reporting as well as the Association's internal controls. In that regard the committee will have access to the NAA's outside professionals to render advice and counsel in such matters.

Composition of the Committee

The President, with approval from the Board, will appoint the Audit Committee and also has the authority to remove members. The committee will consist of the Treasurer of the Board as well as the immediate past Treasurer, if the Treasurer is newly elected plus three at-large members of NAA who have a strong background in association and nonprofit finances. The at-large members will serve three-year terms, staggered to ensure the President can appoint at least one new member each year. The Audit Committee will elect the Chairman of the committee.

Standard Operating Procedure

The committee would be required to meet at least once a year with outside auditors and review the scope and general extent of the outside auditor's annual audit. The Committee's review should include an explanation from the auditors of the factors considered in the accountants determining the audit scope. The committee with the CEO will review annually the fee arrangement with the outside auditors. The committee should also inquire as to the independence of the outside auditors and be provided a formal written statement outlining any relationships between the auditors and the NAA.

The committee should also review with the CEO and the outside auditors any significant accounting and reporting principles, practices and procedures applied by the NAA in preparing its financial statements. The outside auditors will provide a written report of their judgment about the quality of the NAA's accounting principles used in financial reporting. They will also review with the CEO and the outside auditors the NAA's accounting and financial reporting controls, and obtain a letter from the outside auditors annually the adequacy of such controls. If the auditor determines that there are any "material or serious" recommendations, they will meet with the Audit Committee and the CEO.

The Audit Committee will recommend to the board of directors the selection, retention, or termination of the outside auditors. The NAA should consider changing firms every six years in order to provide unbiased reports. Nonprofits should also not mix auditing and non-auditing services to prevent any conflict of interest. At the very least the auditing firm cannot provide non-audit services to the association at the time of the audit and the lead partner of the audit firm rotate off the audit every six years.

The difference between the Audit Committee and the Finance Committee

The Audit Committee:

1. is authorized to consider matters related to financial statements and other official information provided to the public such as the IRS Form 990.
2. considers systems of internal controls, including overseeing compliance by management with applicable policies and procedures and risk management.
3. oversees the annual independent audit process, including the recommended engagement of and receiving of all reports from the independent certified public accountants. The audit committee shall have other authority and perform such other duties as may be delegated to it by the board.
4. (the chairman) serves as the Compliance Officer of NAA

The Finance Committee:

1. oversees the preparation of the annual budget and financial statements.
2. oversees the administration, collection and disbursement of the financial resources of the Association.
3. advises the board with respect to making significant financial decisions

Shared responsibilities:

1. The finance committee ensures that budgets and financial statements are prepared; the audit committee has oversight for ensuring the reports are received, monitored and disseminated appropriately.
2. The finance committee monitors financial transactions, the audit committee makes sure things are done according to policy and with adequate controls.
3. The finance committee provides guidance about what can be done; the audit committee ensures that independent oversight occurs.

General Policies

Revision of Policies and Procedures

NAA policies will be adhered to by the Board of Directors, membership and administrative staff and can only be revised by the official action of the Board of Directors.

Revised policy statements are effective following the Board of Directors meeting at which revisions are approved.

Non-Discrimination Policy

The National Auctioneers Association is an equal opportunity organization and seeks to include qualified individuals and businesses in all phases of its activity. NAA does not discriminate on the basis of race, color, religion, age, sex, sexual orientation, national origin, marital status, veteran status, political affiliations or disability.

Maintaining Membership

Only current NAA members can participate in service to NAA through the Board of Directors, Education Institute Trustees, or other Board sponsored committees, with the exception of a presidential appointee. If during service as a member of the Board, Trustees, or other NAA committee, an individual's membership lapses, they will have 30 business days to re-establish membership in the association. During this time, the member will not be able to participate in any association business.

If after the 30th day, the individual does not re-establish membership, the individual shall be removed from serving the remainder of their term. For the Trustees or NAA committee, the President of the Board of Directors may fill any vacancy resulting from the termination of membership by appointment of an active member, in good standing, of the association. This appointment shall serve the remainder of the term of the terminated member. The appointed member may, at their discretion, ask for re-appointment to the next term. The NAA Bylaws speaks to how to fill a vacancy on the Board: Article III Vacancies: Vacancies among the Officers and Directors of the Association shall be filled by a majority vote of a quorum of the Board of Directors and the Officer or Director so chosen shall be appointed for the unexpired term of his or her predecessor in office

Staff

The CEO may attend state association meetings when deemed appropriate and within travel budget parameters

Members of the Board of Directors shall have access to the salary and employment contract of the CEO. The salaries of individual employees below the level of CEO are the responsibility of the CEO and must be approved by the NAA Board of Directors as an aggregate during the budgetary process.

All requests for employment references related to NAA staff or former NAA staff seeking new employment opportunities MUST be directed to the CEO. It is critical that volunteer leaders not speak about any current or former staff member or current or former volunteer leader in a derogatory manner.

Standard Operations

All mail (correspondence) pertaining to association business will be directed to the Executive Office of the Association. Any volunteer leader that receives an email pertinent to the business of the operation of the organization should forward it to the CEO.

The NAA accepts MasterCard, Visa, Discover and American Express card for payment of dues, registrations, promotional items, fun auctions, etc.

Meetings

In further consideration of NAA's non-discrimination policy, NAA does not officially endorse, sanction or promote any religious organization or its functions.

At all NAA functions where prayer is appropriate, the prayer leader is encouraged to lead the prayer in a manner that is considerate of all members' faiths and beliefs.

At all meetings of the membership, there may be a sergeant-at-arms, a parliamentarian and a secretary to record the minutes of the meeting.

NAA Records/ Information Requests

NAA is committed to being transparent with its members. As such, NAA staff and volunteer leaders adhere to the tenets in Sarbanes Oxley. Additional information can be requested in writing to the Executive Committee.

Member listings are available to members/advertisers and non-members/non advertisers on a fee basis. Names included on the list are members only. To insure one-time usage of purchased member mailing lists, seeded names will be added to the list and a contractual agreement will be made between the purchaser and the NAA indicating the single-usage policy. The purchaser will be informed that the list has been seeded.

NAA will not sell listings of members' email addresses.

The NAA does not recommend one member auctioneer over another.

Board of Directors

General Policies

Member benefits are ever-changing based on current membership needs and association resources. All member benefits are recommended and reviewed by a member group and approved by the Board of Directors.

Registration fees for upcoming seminars and annual conference and show will be established and voted on by the Board of Directors at the Plan and Budget meeting or that meeting to be held no later than December 15 proceeding the future fiscal year.

Past presidents' photographs will be displayed at NAA Headquarters.

All NAA presidents will be presented with a president's lapel pin at the beginning of their term.

Executive Committee members will be provided business cards with their office and NAA contact information displayed.

Board Meetings

Scheduling of Meetings

Board members can expect to participate in three face-to-face meetings (fall, spring and conference) and numerous conference calls. Board meeting dates are approved by the Board of Directors.

Most committee meetings are held through conference calls or webcasts. If committee meets, NAA will pay hotel and meal costs. The committee member is expected to provide their own transportation.

The NAA does not pay for or reimburse individuals for any alcohol expenses.

Confidential Status

Minutes and Board discussions remain confidential only until they have been reviewed by the Board of Directors. It is critical that the Board ensure these conversations are confidential, even in public discussions. Any break in the confidentiality can result in disciplinary action. While the Board may disagree individually, it is important that the Board as a whole support the group's action.

Approval of Board of Directors Meeting Minutes

The minutes of the Board of Directors meetings will be forwarded to the entire Board of Directors within fifteen (15) business days following the actual meeting. At that time, board members have seven (7) days to review and submit changes or approve the minutes, prior to the minutes being published to the membership. If board members do

not respond within the ten-day (10) review period, the minutes automatically become approved.

Reports and Preparation Packets

CEO Report -- Prior to the organization committee meetings, the Board of Directors will get a management report presented either verbally and/or in writing by the CEO, which will contain a report of the action since the previous meeting.

Reports from Affiliated Organizations -- At meetings of the NAA Board of Directors, representatives for NAF and the Education Institute Trustees are requested to submit a report on the progress of their organizations. At least once a year, the NAA Auxiliary will be requested to prepare a report as well.

Meeting Agenda -- The Agenda and related items, including the Financial Report, are sent to members of the Board of Directors at least seven days in advance of each meeting of the Board.

--All committee reports must be written and in the Board book. The Board members have an obligation to thoroughly read these reports, come to the meeting prepared with questions and comments about the report. The chair of the committee only addresses the questions and comments about the report; otherwise the report stands as written. The committee chair may provide a verbal report at the discretion of the CEO.

--The Board book will be sent electronically seven days in advance of the meeting. The Board member must print his/her copy or have a computer available to download the contents.

--No action items will be voted on during committee reports. Action items may be identified during committee reports and chairs can request that the action items be moved from discussion to action at the end of the action item list.

--The Past President of the Board will use his/her prerogative to ensure that Board members do not duplicate comments or questions about an issue during the meeting.

--The Board reiterates our commitment to Robert's Rules of Order.

Financial Statements -- Monthly financial statements of the NAA are sent to all members of the Board of Directors.

Committees

Committees of the NAA are:

1. Education Institute Trustees
2. Bylaws Review Committee*
3. Election Committee*
4. IAC Committee
5. Membership Committee
6. Charitable Organization Committee
7. Nominating Committee*
8. Technology Committee
9. Audit committee*
10. Human Resource Audit Committee*
11. Allied Industry Partnership Committee

*Required under the NAA Bylaws

Committee members are recommended by the Board of Directors and appointed by the Board President. Committees are comprised of at-large members, and a minimum of one Board member.

Special Committee Considerations – The NAA President can appoint special committees whenever deemed necessary.

The Executive Committee is empowered to act on behalf of the Board of Directors on day-to-day management affairs or any other matter other than policy change, Bylaws and/or Articles of Incorporation revisions. The Executive Committee primarily meets via conference call. A summary of all Executive Committee conference calls will be submitted to the Board on a monthly basis.

No member of any Committee will lobby (on NAA's behalf) any government agency with which he/she is presently negotiating a contract.

The Executive Committee serves as the Grievance Committee.

General Administration

Adoption of Budget -- NAA current runs a fiscal year from January through December. The final budget for the next fiscal year shall be adopted by the Board of Directors at least 30 days prior to the start of the fiscal year.

Deposits -- The Treasurer must review the financial institutions where funds are placed. In addition, staff will provide the NAA Board monthly financial statements.

Active Checking Account -- In general, NAA will not keep more than the average of one month's operational expenses (not to exceed \$250,000) in its active checking account. Excess funds are to be placed in a money-market account.

Capitalization of Assets -- IRS regulations will dictate capitalization of assets.

Non-Budget Expenses/Multi-year Lease Purchases -- Any non-budget expense of more than \$10,000 or lease purchase needs the approval of the Executive Committee.

Past Due Accounts – Accounts more than 60 days overdue will be contacted by NAA.

Reserved Policies

Investment of Surplus Funds will be limited to certificate of deposit. It is the general policy of the association not to have in excess of what is insured by the FDIC in any one financial institution.

Expense Reimbursement

All travel that is reimbursed by NAA must be expressly for NAA business purposes:

- NAA Board of Directors Meetings (excluding conference and show)
- State Association Speaker Bureau
- NAA Executive Committee Meetings (excluding conference and show)
- NAA Education Institute Trustees meeting (excluding conference and show)
- Strategic/Long-Range Planning Meeting

The NAA President in advance of booking/acceptance must approve any meetings not mentioned in section (a), including special committee meetings.

Airline bookings must be made thirty days in advance of actual event unless there are special or extraordinary circumstances surrounding the NAA representative attendance.

Itinerary changes to airline reservations will be kept to a minimum.

During state association meetings, NAA will pay up to \$400 in actual travel expenses. The state association will pick up all other expenses and any amount over the \$400 in travel.

Any representative to the state association is expected to attend the entire state association meeting. Evaluation forms will be completed from the state and returned to NAA

All other NAA official/approved meetings will be reimbursed as follows:

- Airfare
- Hotel
- Rental Car/Local Transportation
- Tips/Gratuities

At the discretion of the NAA President, a joint meal function may be organized in conjunction with an official/joint meeting, at which time this will serve as reimbursement of that meal expense. Any alcoholic beverages are the responsibility of the individual or party and will not be paid by NAA.

All travel reservations should be made through an approved NAA Travel Provider.

Expense receipts should be obtained wherever possible and must be secured in all expenses over \$25.

If personal travel is combined with NAA business travel, NAA will only be responsible for those expenses related to the business portion of the trip.

It is generally understood that when a reservation is secured for airfare, hotel and rental car, that the traveler accepts the most cost-effective options presented by an approved NAA Travel provider. If upgrades or other options are selected than the traveler is responsible for the difference in these additional costs.

If a seminar or some other event is associated with the meeting, it is expected that the board member personally pay for those registration fees (i.e., Winter Seminar, Conference & Show, etc.).

Any and all entertainment expenses must be directly related to NAA business and demonstrate value to the association. The NAA President must approve these expenses in advance, if possible. If need be, the president of the association will determine if the entertainment expenses demonstrate value to the association.

NAA will reimburse up to \$500 per trip in airfare for spousal travel for the President's spouse to St. Jude.

NAA may reimburse non-NAA registration/seminar fees for the President during his/her term of office.

Public Relations

National Auctioneers Day

The third Saturday in April shall be observed as National Auctioneers Day.

Endorsements

Any product specific or related item endorsements will be handled by the Board of Directors on an individual basis.

Official Charity

The official charity of the National Auctioneers Association is St. Jude Children's Research Hospital.

Social Media Policy

This policy applies to staff members of the National Auctioneers Association, Overland Park, KS, members of the NAA Board of Directors, the National Auctioneers Foundation Board of Trustees, the NAA Auxiliary Board of Trustees and the NAA Education Institute Trustees (collectively, NAA representatives). The NAA created this policy to protect its brand and reputation and to prevent intentional and unintentional bias or harm to the industry, individuals, companies and vendors.

Social networking includes the use of social media platforms, such as Facebook, LinkedIn, blogs, photo-sharing sites, wikis and other online vehicles, for communications purposes. This policy provides guidelines for use of social media by NAA staff members and volunteer leaders. This document focuses on activities in or outside of work, communicated through social media, which might directly affect the NAA, NAF and related groups. NAA representatives are responsible for reading, knowing and complying with the Terms of Service of social-networking sites they use.

Online conversations about the auction profession or the NAA/NAF are of particular interest to the NAA. The NAA encourages its staff members and leaders to communicate with other professionals, governmental representatives, clients and the public through electronic means. NAA representatives have the opportunity to advance and promote activities within the NAA and the auction industry. Social networks allow staff and association volunteers to enhance communication between members and the public. The NAA/NAF provides expertise on the auction method that the public might find useful and that might work to positively promote the auction method of marketing.

Guidelines

The NAA/NAF trusts its staff members and volunteer leaders to make the right decisions when engaging in conversations about the abovementioned groups. Sometimes, this level of confidence produces a higher risk for the NAA and NAF; however, it also can lead to greater rewards for the organizations. Each NAA staff member and leader is solely responsible for the content he or she publishes on any social media platform.

Staff members and leaders of the NAA should assume social media communications will be read by NAA members, other auction professionals and the public at large. One can assume posts related to the auction profession or NAA/NAF will likely be directly associated with the organizations.

The NAA's goal is that its voice joins the larger conversation relating to the auction industry, the association and the foundation. It's important that all staff members and volunteer leaders clearly understand the issues and history behind these dialogs before they enter into conversations on the Internet. NAA representatives are asked only to contribute with content that adds value to or advances a discussion (i.e., relevant links, experiences, resources).

Limitations

NAA representatives do not have permission to reveal information that compromises NAA policies, Bylaws, Articles of Incorporation, public positions or anything that violates antitrust laws. Anything confidential to the NAA cannot be shared via social media (i.e., private information shared only with NAA Board members during closed sessions of meetings, proprietary information or confidential documentation).

When posting to social media platforms, NAA representatives should refrain from publishing the following:

- Negative views on the association or profession
- Profanity, sexual innuendos (harassment) or other inappropriate content
- Ethnic slurs, insults or anything not acceptable in a working environment
- Anything that violates the personal privacy of others
- Views on politics and religion that might offend reasonable readers
- Defamatory or discriminatory statements
- Anything that violates proper use of a copyright, trademark or other form of intellectual property

For some content published outside of the realm of the NAA or NAF, representatives, at their discretion, are encouraged to post a disclaimer such as the following: “These views are my own and do not necessarily represent the opinion or position of the National Auctioneers Association.” If there is any doubt about publishing information that is potentially official NAA business, representatives should check with the NAA Chief Executive Officer before making social media posts.

NAA staff members must comply with all policies set forth in the “Team Member Handbook,” and all representatives must abide by the NAA’s Code of Ethics, Bylaws, Articles of Incorporation, policies and positions. Review these documents at Auctioneers.org. Online activities should not interfere with job performance. Staff members should always seek management approval if they are not confident in the information they intend to share.

Postings

NAA representatives should only post information on which they are subject-matter experts. For example, staff members should look to media relations experts, membership personnel and auction professionals if they feel conversations might be better handled by more experienced or knowledgeable individuals. NAA representatives who stick to subjects on which they are experts or experienced are less likely to risk damage to their credibility. Generally, the NAA encourages fact-based postings as well as sharing of personal information, interests and experiences. Keep in mind, though, that social media posts are open for the world to view, and many posts can become permanent fixtures on the Internet.

The NAA complies with all laws, including antitrust, that apply to its operations and activities. The association operates under a strict Code of Ethics. NAA representatives are responsible for understanding and observing all NAA policies. Do not hesitate to seek the advice of the NAA's CEO when communicating on behalf of the NAA or NAF. When posting to social media websites, NAA representatives should follow these best practices:

1. Be accurate and transparent
2. Use disclaimers
3. Respect copyright and trademark laws
4. Maintain the privacy of others
5. Do not reveal confidential information
6. Be respectful and tolerant
7. Respect antitrust laws
8. Promptly clarify statements that are misinterpreted

Take-down policy

NAA staff reserves the right to remove any content posted on the association's social network accounts. Examples of postings that might be removed include the following:

- Promotion of upcoming auctions
- Promotion of products and services by industry vendors
- Insensitive and offensive comments, including ethnic slurs, personal insults, obscenities or anything considered unacceptable in the workplace
- Political endorsements

POSITION DESCRIPTIONS FOR THE NAA BOARD OF DIRECTORS AND OFFICERS

JOB DESCRIPTION OF THE VICE PRESIDENT

Serves on the Executive Committee

Participates on weekly conference calls to discuss:

- Budget review
- Performance Review of CEO
- Attend sub-executive committee meetings as necessary (rewriting Code, Bylaws, etc.)
- Grievance Committee
- Discuss management issues raised by CEO

Attends State Leadership Conference and Auction School Summit

Attends three face-to-face Board meetings per year

Serves as Education Institute Trustee

- Attends three face-to-face meetings (fall, spring and at Conference and Show)

Serves as chair of the Nominating Committee

- Must identify candidates for all officer and Board candidates
- Ensures all candidates understand the position's expectations
- Nominates up to two candidates per position

Participates in the Speaker's Bureau as a NAA Representative

This can be arranged around your schedule, but typically VPs and the President do several each year.

Attend as many NAA Education sponsored events as possible

Serve on various committees or Task Forces as necessary (i.e. HR Audit Committee, Council on Future Practices, etc.)

JOB DESCRIPTION OF TREASURER

Serves a two-year term on the Board of Directors.

Performs the regular duties of the Treasurer including:

Working with CEO on the following:

- Monthly financial statements
- Contractual issues as identified in the Volunteer Leadership Manual

Audit Committee

Serves on the Audit Committee, which reviews the independent audit of the NAA

Board and Membership responsibilities

- Ensures financial statements are accurate and communicated to the Board on a monthly basis.
- Ensures annual report is communicated to the membership at the Annual Business Meeting

Executive Committee

Participates on weekly conference calls to discuss:

- Budget review
- Performance Review of CEO
- Attend sub-executive committee meetings as necessary (rewriting Code, Bylaws, etc.)
- Grievance Committee
- Discuss management issues raised by CEO
- Attends State Leadership Conference and Auction School Summit

Attends three face-to-face Board meetings per year

Participates in the Speaker's Bureau as a NAA Representative

This can be arranged around your schedule, but typically VPs and the President do several each year.

Attend as many NAA Education sponsored events as possible

Serve on various committees or Task Forces as necessary (i.e. HR Audit Committee, Council on Future Practices, etc.)

JOB DESCRIPTION OF THE NAA BOARD MEMBER

NAA Board Members act to support the overall mission and vision of the National Auctioneers Association. To that end, they agree to accept the following responsibilities:

- ✓ Serve on this Board for at least a full, three-year term.
- ✓ Determine and support the organization's mission, vision and values
- ✓ Ensure the budget adequately reflects the organization's program priorities
- ✓ Provide fiduciary oversight by ensuring proper procedures and policies are in place for financial and legal oversight and to be financially literate (this means being able to read and understand the financial reports used, knowing the organization's financial situation and reviewing the 990 filed by the organization each year).
- ✓ Ensure legal and ethical integrity and maintain accountability
- ✓ Supervise CEO performance through monitoring of policies and procedures and financials.
- ✓ Attend all three face-to-face meeting annually prepared and informed about issues on the agenda, i.e. stay informed about committee matters, review board minutes and other materials prior to board meetings
- ✓ Attend conference calls as they are scheduled
- ✓ Contribute to meetings by expressing one's point of view with the best interest of NAA in mind
- ✓ Support the decisions of the board
- ✓ Become knowledgeable about NAA and its programs
- ✓ Serve as an active ambassador for NAA when attending professional functions which may include speaking and/or attending state association annual business meetings.
- ✓ Serve on committees as appointed by the President.
- ✓ Have a working knowledge of Roberts Rules of Order
- ✓ Accept the non-governance responsibilities that come with service on the board – attend social and other functions sponsored by the organization when your schedule allows, communicate with others about the work of the organization, and show your support for the organization when talking with others.
- ✓ Follow all conflict of interest and confidentiality policies of the organization. Err on the side of reporting even potential conflicts. Do not ask for favors or special treatment. Do not take on more responsibility than you can reasonably handle given your employment, family and other social and volunteer commitments.
- ✓ Understand your role as a director and the roles of staff and other volunteers in the governance and operation of the organization. Respect the CEO's position and responsibility to manage the staff. Take up any complaints with the CEO. Give recognition and praise to the staff when it is due. Do not ask the staff to support your pet projects. Do not say negative things about other board members to the staff.

THE ROLE OF THE EXECUTIVE COMMITTEE

The Executive Committee consists of the immediate past president, the president, the vice-president, the treasurer and the chair of the Education Institute Trustees.

According to the Volunteer Leadership Handbook, “The Executive Committee is empowered to act on behalf of the Board of Directors on day-to-day management affairs or any other matter other than policy change, Bylaws and/or Articles of Incorporation revisions. The Executive Committee primarily meets via conference call. A summary of all Executive Committee conference calls will be submitted to the Board on a monthly basis.”

In addition to the day-to-day management, the EC:

- 1) Serves as the Strategic Planning Committee, reviewing progress towards the goals set by the NAA Board of Directors and recommending to the Board priorities for specific projects.
- 2) Acts as the Grievance Committee, reporting outcomes to the Board. If the Grievance Committee finds a complaint is valid, it must recommend action to the Board for final resolution.
- 3) Vets board agendas to ensure meetings of the board are productive and deal with the most pressing items.
- 4) Reviews CEO and develops staff compensation.
- 5) As advisor to the CEO on operational matters brought to them by the CEO.
- 6) Acts as the governance committee.

Revised April 9, 2014