

AAR OPERATIONS AND STRATEGIC INITIATIVES COMMITTEE
2014 Business Plan

FROM: Operations & Strategic Initiatives
Chairman: Paula Monthofer, Treasurer
Staff Liaison: K. Michelle Lind, Esq., CEO
DATE: April 2014

REALTOR®... the best prepared real estate professional with the highest standards.

CURRENT TOP PRIORITIES

- Developing the 2015 business plans and budget based on 2015 Planning Session outcome and Strategic Plan.
- Closely track Reserve Accounts and investments – On-going
- Coordinate 2014 capital purchases as approved by the Board of Directors.
- Monitor 2014 AAR operating budget as approved by Directors and prepare any necessary adjustments.
- Oversee implementation of 2014 portion of 2014-2015 Strategic Plan.
- Participate in the NAR Mission Connect Program.

RECOMMENDATIONS

-

GROUPS FORMED

- AAR Investment PAG formed
- Mission Connect group formed

The following are programs, products, services and activities (PPSA's) with Operations & Strategic Initiatives oversight.

REALTOR®... the best prepared real estate professional with the highest standards.

ASSOCIATION RELATIONS

AAR is regarded as an influential voice and partner to local, state and NATIONAL REALTOR® Associations. AAR provides guidance and resources that allow local associations to reach their professional goals.

Measurable objectives	Status
Review and approve annual local association organization criteria.	On-going. Working with Region 1 RVP, NAR and La Paz Association to bring association up-to-date.
Plan and present annual AZ AE Workshop.	Scheduled for June 16 and 17
Deliver timely information and updates on AAR	Monthly and as needed

activities.	
Coordinate with local associations regarding NAR's Association Executive Institute.	March 21 – 25, 2014
Figure subsequent year's director entitlements for local associations using 12/31 membership report.	Completed
Determine which AZ AEs are eligible to serve on subsequent years BOD.	TBD June 2014

BUILDING

AAR's building is an asset and its equity will be vigilantly monitored.

Measurable objectives	Status
Analyze building maintenance expenses.	On-going
Review building maintenance needs and contracts, coordinate as necessary.	On-going
Maintains lease agreements with current tenants at 255 E. Osborn and assists leasing agent in renewal negotiations.	On-going
Maintains vacant tenant space and assists leasing agent in new tenant negotiations.	New listing agreement effective February 1, 2014. New marketing underway.

DUES/FINANCIAL

Annual dues collected by the Arizona Association of REALTORS® are used to ensure its members are the best prepared real estate professionals with the highest standards.

Measurable objectives	Status
Collect fully paid units from local associations.	
Evaluate annual budget to ensure that dues are properly allocated to AAR's policies, programs and services.	On-going
Invoice and update member-at-large.	Director of Association Relations is working with VP of Business Services to use e-commerce beginning in January 2015 as dues billing for members at large (currently 31).
Prepare, analyze and distribute monthly financials to the Executive Committee for review and to ensure the association's financial goals are being met.	On-going
Analyze current program and/or service contracts to ensure best product and pricing are incorporated.	On-going
Prepare suggested budget adjustments, if necessary, for ExCom consideration based on first quarter budget vs. actual analysis.	None currently
Prepare initial Operating and Capital budget.	
Finalize 2015 Operating and Capital budget with 2015 Executive Committee.	

Monitor capital reserve fund account balances and ensure that approved expenditures are within budgetary amounts. Ensure bylaw requirements are adhered to.	On-going
Monitor reserve accounts and ensure that approved expenditures are within budgetary amounts (or less). Ensure that bylaw requirements are adhered to.	On-going AAR Investment PAG formed and first meeting held.
Maintain and monitor RAPAC and Issues Mobilization checking accounts.	Monthly
Reconcile all AAR checking accounts (AAR, ARDAF, AFCHO, RAPAC, Issues Mob, etc).	Monthly
Assist with the annual audit.	Audit meeting held March 17, 2014.

EXECUTIVE COMMITTEE SUPPORT

The support budget supports AAR as a member directed non-profit corporation by building a responsive governance model and being fiscally responsible. AAR is in the forefront of industry trends and will leverage economies of scale to cultivate strategic alliances.

Measurable objectives	Status
Establish recommendations for allocation of surplus from previous year's operating budget for ExCom approval.	Completed
Assist President-elect and First Vice President with selecting primary committee chairs, vice chairs and association executive representative for subsequent year to be approved by ExCom and BOD at Spring meeting.	Completed. Motion at attachment 10.
Assist President-elect in identifying members, scheduling and organizing planning session for subsequent year.	Members selected. Planning underway. Scheduled for April 18 and 19.
Update AAR officer position description and activity checklists.	Completed
Coordinate Planning Session outcomes, distribute to attendees for comment and distribute final plan.	
Effective legal advice to governing bodies.	On-going
Organization operates in compliance with bylaws, policies and applicable laws.	On-going
Distribute budgeted expense and reimbursement expectations to line officers and executive committee members for current year.	Completed at January 17 th meeting.
Communicate upcoming meeting times and agendas effectively and through preferred communication methods.	On-going
Evaluate and/or approve funds for innovative programs, products and/or services as submitted.	On-going
Evaluate and/or approve agreements that benefit all AAR members.	On-going
Draft, update and distribute meeting agendas and materials for Executive Committee meetings in January, April, June, August and October in a	On-going

timely manner.	
Submit and review subsequent year's business plans.	
At least 80% attendance by decision makers.	<ul style="list-style-type: none"> • 93% - January ExCom meeting • ___% - April ExCom meeting. • ___% - June ExCom meeting • ___% - 2014 Budget meeting • ___% - October ExCom meeting

BOARD OF DIRECTORS SUPPORT

The support budget supports AAR as a member directed non-profit corporation by building a responsive governance model and being fiscally responsible. AAR is in the forefront of industry trends and will leverage economies of scale to cultivate strategic alliances.

Measurable objectives	Status
Determine subsequent year's real estate firm representatives for BOD based on 12/31 membership numbers.	Completed
Establish recommendations for allocation of surplus from previous year's operating budget for BOD approval.	Completed
Begin 2015 officer election process. Announce deadline and application submission dates. Submit subsequent year's candidate statements for website and BOD vote.	Announcements made. Statements procured. Election at April 18, 2014 BOD meeting.
Effective legal advice to BOD.	On-going
Organization operates in compliance with bylaws, policies and applicable laws.	On-going
Communicate upcoming meeting times and agendas effectively and through preferred communication methods.	On-going BOD materials delivered electronically via Dropbox and BOD Strategy Room as provided in Bylaws Article VI, Sections 5 and 8.
Evaluate and/or approve funds for innovative programs, products and/or services as submitted.	On-going
Draft, update and distribute meeting agendas and materials for the Board of Directors meetings in a timely manner.	On-going
At least 80% attendance by decision makers.	<ul style="list-style-type: none"> • ___% - April meeting • ___% - October meeting

NATIONAL MEETINGS

National meetings budget provides travel expenses to the Association's line officers, CEO and National Directors in order to assure that the association has an influential voice and partners with other states and the National Association of REALTORS®. Assurance that AAR members and staff serve as leaders at the national level thereby providing further guidance and resources to its local associations to assist them in reaching their goals.

Measurable objectives	Status
Recruit and develop leaders identified as the best of the best.	On-going
Make recommendations to NAR for committee/officer positions.	Completed for 2014 - Underway for 2015. 2014 NAR committee list compiled.
Coordinate NAR meeting calendar with CEO and line officers and communicate expectations effectively, through preferred methods.	On-going
Subsidized attendees contribute to PPSA success.	On-going
Subsidized attendees contribute to problem-solving and program development.	On-going
Coordinate attendance at NAR Mid-year meetings	Completed
Coordinate attendance at NAR Expo/Conference	

REGION 11 SUPPORT

AAR, as a member of Region 11, plays a vital role in its influence on NAR policy and decision making. Region 11 expenses are part of AAR's National Meetings program.

Measurable objectives	Status
Remain active in all NAR Region 11 activities (Caucus, Nominating Committee, Strategic Planning Committee).	On-going AAR sponsorship of Regional conference completed. Appointments to the Strategic Planning Committee completed.
Assist in coordinating and attend Region 11 Conference.	On-going Conference - April 1-3, 2014 AAR sponsorship of conference completed and communicated. AZ gathering at conference coordinated.

GENERAL OVERHEAD

AAR ensures that its products, programs and services are delivered within or under the approved budget. AAR will let members know and understand the value package. By monitoring its general overhead, AAR can regularly analyze cash flow and expenses to support association financial goals.

Measurable objectives	Status
Communicate value proposition using AAR's brand.	On-going
List all AAR benefits, programs, products and services on AARonline.com.	Completed March 2014

OPERATIONS SUPPORT

This plan includes support expenses providing critical support to the Board of Directors,

Executive Committee and Regional Vice Presidents in order to accomplish the goals of the association. Functions in this area concentrate on maintaining fluid operational structure and strong communication to its committees.

Measurable objectives	Status
Use of the general printing, postage and supply funds provides positive assistance to the Association's general administrative efforts.	On-going
Use of travel subsidy provides positive evaluations by end users.	On-going

PERSONNEL/OVERHEAD

In order to be regarded as an influential voice and to partner effectively with local, state and National associations, AAR must have knowledgeable staff that can serve as leaders in the industry.

Measurable objectives	Status
Thorough analysis of personnel/overhead needs based on the Association's business plans.	On-going
Positive response from users.	On-going
Retention of well-trained, capable staff.	On-going
Positive customer and professional staff evaluations.	On-going

PUBLIC RELATIONS

AAR to be recognized as an essential information source by media, governmental entities, the public, and members, thus increasing its influence and the ability of our members to succeed in their business.

Measurable objectives	Status
Establish AAR as a source of credible information about Arizona real estate issues.	On-going

ARIZONA REALTORS® DISASTER ASSISTANCE FOUNDATION (ARDAF)

The Foundation is a 501(c)(3) corporation. The Foundation provides a fund to collect and distribute tax deductible donations from members and the general public to be used to assist those who have suffered from a personal or natural disaster.

Measurable objectives	Status
Coordinate bi-annual audit.	Underway
Provide in-kind staff time to effectively manage 501(C)(3) per its bylaws.	On-going
Prepare and distribute local association reports.	On-going
Prepare and distribute guidelines per IRS rules.	On-going

ARIZONA REALTORS® FOUNDATION FOR HOUSING AND COMMUNITY OUTREACH (ARFHCO)

The Foundation is a 501(c)(3) corporation. The Foundation provides education opportunities to AAR members as well as an EAH program to state and local association employees.

Measurable objectives	Status
Coordinate annual audit	Underway
Provide in-kind staff time to effectively manage 501(C)(3) per its bylaws.	On-going

Communicate and promote education and EAH opportunities to AAR member.	On-going. Quarterly reminders sent to local association executives in regular communications.
Provide in-kind staff time to develop pre-eminent education per the Foundation's goals.	On-going
Implement Ira Gribin grant plans as submitted to NAR.	On-going