

<b>AAR OPERATIONS AND STRATEGIC INITIATIVES</b> <b>2015 Business Plan</b>
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**FROM:** Operations & Strategic Initiatives  
**Chair:** Lori Doerfler, Treasurer  
**Staff Liaison:** K. Michelle Lind, Esq., CEO  
**DATE:** 2015

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

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

**CURRENT TOP PRIORITIES**

- Communications and Public Relations plans

**RECOMMENDATIONS**

- Investment Pursuant to Policy
- AAR Bylaws Revisions

**GROUPS FORMED**

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**MEMBER VALUE**

AAR will offer a value package that enhances members' ability to conduct their businesses with integrity and competency. AAR will cultivate strategic alliances and partner with MLSs, institutes, societies, councils, and other homeownership entities on endeavors that benefit the membership.

Measurable objectives	Status
Present a plan for a program for major third party vendors who offer exceptional benefits to members for ExCom review.	In progress.
Link from aaronline.com to NAR and local association benefit pages.	Link to NAR @ <a href="http://www.aaronline.com/about-us">www.aaronline.com/about-us</a>
Survey members in 2015 regarding how Arizona REALTORS® programs are meeting their needs and present results and recommendations.	A broker survey was completed in December 2014, with results presented at Broker Summit.  Additional surveys: <ul style="list-style-type: none"> <li>• Past Presidents</li> <li>• Communications</li> <li>• CABR</li> </ul>
Provide quarterly evaluations/suggestions regarding effectiveness in improving Arizona REALTORS® program usage by members.	Broker Summit held at AAR on January 28, 2015. Input solicited.  <b>On-going</b>
In concert with Communications, develop Arizona REALTORS® value messaging to members and	Weekly "Voice" email sent.

consumers.	
Present plan outlining feasibility and costs of conducting member dues billing on behalf of local associations by April 2015.	<b>Unable to complete by April 2015</b>

### **CONSUMER OUTREACH**

AAR will demonstrate engagement in not less than four meaningful consumer engagement activities annually.

<b>Measurable objectives</b>	<b>Status</b>
Promote market statistics and/or real estate trends and issues.	<ul style="list-style-type: none"> <li>• Published a Powtoon of NAR Arizona stats 12/2014.</li> <li>• <b>Working with new PR firm, Big Yam, on further promotions.</b></li> </ul>
Promote the value proposition of using a REALTOR® and/or engaging in community activities which enhance the image of the REALTOR®.	<ul style="list-style-type: none"> <li>• Publicized REALTOR® involvement in President Obama visit.</li> <li>• President Sexton – Fox news interview in February regarding housing market.</li> <li>• Facebook distribution of NAR President’s market data article</li> <li>• <b>AZ Republic article on Disclosure (SPDS) – quotes by Michelle Lind</b></li> </ul>
Engage the public in legislative/political issues that impact real estate and related issues.	<ul style="list-style-type: none"> <li>• Promoted REALTORS® Protect Arizona Privacy Rights on realtor.com</li> <li>• Promoted REALTOR® advocacy on property tax rat legislation in AZ Republic (quote by CEO).</li> </ul>
Organize human resources or fundraising for the benefit of charitable/community organizations.	<ul style="list-style-type: none"> <li>• Foundation challenge via ARFHCO – There will be a three grants awarded in October</li> <li>• Promoted Arizona Gives Day for Habitat for Humanity</li> <li>• Contributed \$1,000 to Habitat for Humanity</li> <li>• Administer ARDAF</li> <li>• <b>Red Cross Blood Drive at AAR on August 20, 2015</b></li> <li>• <b>Implemented Community Outreach Awards</b></li> </ul>

## EXECUTIVE COMMITTEE

AAR is an effective member directed, fiscally responsible, non-profit corporation. AAR offers a value package that enhances members' abilities to conduct their businesses with integrity and competency.

Measurable objectives	Status
Leadership engages with local association leadership to strengthen the strategic partnership.	<ul style="list-style-type: none"> <li>• On-going</li> <li>• <b>LTA attendance</b></li> </ul>
Assist President-elect and First Vice President with selecting primary committee chairs, vice chairs and association executive representative for 2016 to be approved by ExCom and BOD at Spring meetings.	<ul style="list-style-type: none"> <li>• Motion on January 12<sup>th</sup> Meeting Agenda.</li> <li>• Approved by ExCom on January 12<sup>th</sup>.</li> <li>• Approved by BOD at Spring Meeting.</li> </ul>
Assist President-elect in identifying members, scheduling and organizing planning session for 2016.	Held – April 23-24, 2015
Update AAR officer position description and activity checklists.	Completed
Coordinate Planning Session outcomes, distribute to attendees for comment and distribute final plan.	<ul style="list-style-type: none"> <li>• Draft reviewed by all Planning Session attendees.</li> <li>• <b>Plan finalized and approved at 2016 Budget Meeting on August 28<sup>th</sup></b></li> </ul>
Provide effective legal advice.	On-going
Operate in compliance with bylaws, policies and applicable laws.	On-going
Distribute job descriptions and budgeted expense and reimbursement expectations to line officers and executive committee members.	Completed
Communicate upcoming meeting times and agendas effectively.	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 AAR members.	On-going
Draft, update and distribute meeting agendas and materials for Executive Committee meetings in January, March, June, August and October in a timely manner.	On-going
Maintain at least 80% attendance by committee members.	<ul style="list-style-type: none"> <li>• 100% - January ExCom meeting</li> <li>• 100% - April ExCom meeting.</li> <li>• <b>86%</b> - June ExCom meeting</li> <li>• <b>66%</b> - 2016 Budget meeting</li> <li>• ___% - October ExCom meeting</li> </ul>

## BOARD OF DIRECTORS

AAR is an effective member directed, fiscally responsible, non-profit corporation. AAR offers a value package that enhances members' abilities to conduct their businesses with integrity and competency.

Measurable objectives	Status
Determine real estate firm representatives for 2016 BOD based on 12/31/14 membership numbers.	<b>Completed.</b>
Establish recommendations for allocation of surplus from 2014 operating budget for BOD approval.	<ul style="list-style-type: none"> <li>• Audit meeting scheduled 2/25/15.</li> <li>• Allocation approved by BOD during Spring meeting.</li> </ul>
Begin 2016 officer election process. Announce deadline and application submission dates. Submit 2016 candidate statements for website and BOD vote.	<ul style="list-style-type: none"> <li>• Posted on website <b>and AE Basecamp</b></li> <li>• Announcement in REALTOR® Voice</li> </ul>
Provide effective legal advice.	On-going
Operate in compliance with bylaws, policies and applicable laws.	On-going
Communicate upcoming meeting times and agendas effectively.	On-going
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
Maintain at least 80% attendance by Directors.	<ul style="list-style-type: none"> <li>• 91% - April meeting</li> <li>• ___% - October meeting</li> </ul>

## COMMUNICATIONS

AAR creates and maintains a consistent, coordinated system of communication management for all areas of the association. Efforts in this area include investigating and implementing communication methods to increase the effectiveness of AAR's efforts to inform, engage and reach out to the membership.

Measurable objectives	Status
Disseminate pertinent, relevant and timely industry and association information, (i.e., social networks, e-publishing, website, video, newsletters, magazine, etc).	<ul style="list-style-type: none"> <li>• Arizona REALTOR® Voice (Voice) is distributed weekly</li> <li>• Blog plus social media posts average 6-12 per week.</li> </ul>
Create and maintain a consistent, coordinated system of communication management for all areas of the association.	<ul style="list-style-type: none"> <li>• A Basecamp account is being used to coordinate communications management.</li> <li>• <b>A survey of local associations was conducted and a meeting held on August 23<sup>rd</sup> with 23 AEs and communications staff; met (in-person and by remote) to discuss member communications, concepts from the Mission:Connect meetings and collaboration on content.</b></li> </ul>

Engage in regular outreach to members.	Using Voice and social media.
Investigate and implement communication methods to increase the effectiveness of AAR's efforts to reach out to members.	In addition to the Voice, website login and search issues have been improved.
Encourage cross-linking and shared login (SSO) with local association websites.	Working in conjunction with Business Services and Technology Committee.
Review best practices in website navigation, search and user interface and integrate these practices into AAR's blogs and websites.	In progress.
Research the feasibility of customizing website content for individual users based on user-selected topics and actual use of the site.	<ul style="list-style-type: none"> <li>• In progress.</li> <li>• Working with Business Services and Technology Committee on Enhanced Member Profile project.</li> </ul>
Evaluate the need for a mobile app to provide customized, on-demand content.	No action at this time.
Investigate the feasibility of a system that allows members to choose preferred communication methods, topics and frequency of push communications.	Working with Business Services and Technology Committee on Enhanced Member Profile project.
Investigate ways for members to engage in peer-to-peer interaction and information-sharing through comments polls, contests, etc.	No action at this time.
Maintain communication briefs for each of AAR's communication vehicles.	Communication plan developed.
Social media channels are managed and monitored to ensure a steady rise in engagement and alternate sources for members to receive information.	Currently up to date.
Print and digital collateral adheres to the AAR brand and is member centric and speaks to AAR's value proposition.	Currently up to date.
Communication statistics are compiled and reviewed monthly.	<ul style="list-style-type: none"> <li>• Currently up to date</li> <li>• <b>Voice average open rate is 25%</b></li> </ul>
Establish AAR as a source of credible information about Arizona real estate issues.	On-going

## **ASSOCIATION RELATIONS**

AAR partners with and collaborates with local member associations to accomplish mutual goals. AAR leadership engages with local association leadership to strengthen the strategic partnership.

<b>Measurable objectives</b>	<b>Status</b>
Review and approve annual local association Mandatory Core Standards certification.	<ul style="list-style-type: none"> <li>• <b>19 local associations certified</b></li> <li>• <b>One merger</b></li> <li>• <b>One association dissolving</b></li> <li>• <b>NAR grants approved</b></li> </ul>
Plan and present annual Arizona AE Workshop.	<ul style="list-style-type: none"> <li>• Held on March 24<sup>th</sup> - Prescott Resort.</li> <li>• <b>An NAR Tech Day will be held October 7<sup>th</sup> to address Ecommerce and Core Standards Questions</b></li> </ul>
Deliver timely information and updates on AAR	On-going via AE Basecamp

activities.	
Coordinate with local associations regarding NAR's Association Executive Institute.	Completed March 12-16 with successful AZ dinner
Figure 2016 director entitlements for local associations using 12/31/14 membership report.	Completed
Determine which Arizona AEs are eligible to serve on 2016 BOD.	Completed

### **NATIONAL ASSOCIATION**

AAR is regarded as an influential voice and partner to the NATIONAL ASSOCIATION OF REALTORS®.

<b>Measurable objectives</b>	<b>Status</b>
Make recommendations to NAR for committee/officer positions.	Completed by May 22 deadline
Coordinate NAR meeting calendar with CEO and line officers and communicate expectations effectively, through preferred methods.	<b>Completed for May Legislative Meetings</b>
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	In process

### **REGION 11**

AAR, as a member of Region 11, plays a vital role in its influence on NAR policy and decision making. AAR is regarded as an influential voice and partner to the NATIONAL ASSOCIATION OF REALTORS®.

<b>Measurable objectives</b>	<b>Status</b>
Remain active in all NAR Region 11 activities (Caucus, Nominating Committee, Strategic Planning Committee).	<ul style="list-style-type: none"> <li>• On-going</li> <li>• All Conference calls attended.</li> <li>• President Sexton and President-elect Serven serving on Nominating Committee.</li> <li>• President Sexton, Craig Sanford and Vicki Cox-Golder serving on Strategy Committee.</li> <li>• President Sexton and CEO Michelle Lind serving on AE/President Committee and Budget Financing Committee Workgroup.</li> <li>• Attended all Region 11 events and meeting at NAR Legislative Meetings</li> </ul>
Assist in coordinating and attend Region 11 Conference.	<ul style="list-style-type: none"> <li>• Attended conference. Presentations by President Sexton, First Vice President Monthofer and CEO Michelle Lind.</li> <li>• AZ Reception held and was successful.</li> </ul>

## DUES/FINANCIAL

AAR is an effective member directed, fiscally responsible, non-profit corporation. 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.	<b>Completed</b>
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.	Completed 12/2014
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.	<ul style="list-style-type: none"> <li>• <b>Approved \$15,000 from Operating Reserve for Paula Monthofer's Region XI Campaign</b></li> <li>• <b>Approved \$5,000 from the Strategic Initiatives Fund for Community Outreach Awards</b></li> </ul>
Monitor <ul style="list-style-type: none"> <li>• capital reserve fund account balances</li> <li>• operating and strategic initiative reserve accounts</li> <li>• RAPAC and Issues Mobilization accounts</li> </ul> and ensure that adherence to investment policy and approved expenditures are within budgetary amounts. Ensure bylaw requirements are adhered to.	<ul style="list-style-type: none"> <li>• Conference call with NAR Investment Program 2/2015.</li> <li>• Meeting in D.C. on 5/3/15, awaiting proposal.</li> <li>• Meeting with UBS Investment Advisors on 2/25/15 and 5/6/15</li> <li>• <b>Proposals reviewed and recommendation made</b></li> </ul>
Reconcile all AAR checking accounts (AAR, ARDAF, ARFHCO, RAPAC, Issues Mob, etc).	Completed monthly
Establish recommendations for allocation of surplus from previous year's operating budget for ExCom approval.	<ul style="list-style-type: none"> <li>• Determined at audit meeting on 2/25/15.</li> <li>• Approved by ExCom and BOD during Spring Meetings.</li> </ul>
Assist with the annual audits.	<ul style="list-style-type: none"> <li>• Completed AAR audit on February 25, 2015.</li> <li>• RAPAC audit completed in April 2015.</li> </ul>
Prepare initial 2016 Operating and Capital budget.	<b>Completed, pending BOD approval</b>
Finalize 2016 Operating and Capital budget with 2016 Executive Committee.	<b>Completed, pending BOD approval</b>

## **BUILDING**

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

<b>Measurable objectives</b>	<b>Status</b>
General: Monitor actual expenses against budgeted, review maintenance needs and assist property manager in working with tenants to maintain current lease agreements; report major variances and critical issues at ExCom meetings.	<ul style="list-style-type: none"> <li>• Currently up to date.</li> <li>• Construction for TIs completed.</li> <li>• Five year lease signed with the Association of Golf Merchandisers began in May 1, 2015.</li> <li>• <b>Lobby area improvements – interior/exterior building painting underway</b></li> </ul>
Investigate alternatives for use of unleased building space.	<ul style="list-style-type: none"> <li>• <b>New tenant with 5-year lease beginning in May 2015</b></li> <li>• <b>Currently in negotiations with a prospective tenant</b></li> </ul>
Schedule and report on major 2015 maintenance projects.	<ul style="list-style-type: none"> <li>• In progress.</li> <li>• Gathering information and preparing schedule.</li> </ul>
Conduct thorough review of Arizona REALTORS® building infrastructure and make recommendations for needed improvement in the 2016 Capital Budget.	<ul style="list-style-type: none"> <li>• <b>Completed</b></li> </ul>

## **PERSONNEL/OVERHEAD**

In order to accomplish the Strategic Plan, area business plans deliver member value and work as a collaborative partner with national and local member associations. AAR must have knowledgeable staff that can serve as leaders in the industry.

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

## **ARIZONA REALTORS® DISASTER ASSISTANCE FOUNDATION (ARDAF)**

The Foundation is a separate 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.

<b>Measurable objectives</b>	<b>Status</b>
Coordinate annual audit.	Completed – April 2015
Provide in-kind staff time to effectively manage 501(C)(3) per its bylaws.	On-going
Prepare and distribute local association funds and reports.	On-going Implemented quarterly financial reports
Prepare and distribute guidelines per IRS rules.	On-going



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

The Foundation is a separate 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.	Completed – April 2015
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 members.	<b>Foundation Challenge – There will be three grants given in October 2015</b>
Provide in-kind staff time to develop pre-eminent education per the Foundation’s goals.	On-going  Implemented quarterly financial reports.
Implement Ira Gribin grant plans as submitted to NAR.	On-going