



Southwest Multiple Listing Service, Inc.

# Board Responsibilities

Serving on the Board of Directors is a rewarding and important responsibility. Simply put, a board of directors is a group of people legally charged with the responsibility to govern a corporation. The board of directors is responsible to its shareholder, the Greater Albuquerque Association of REALTORS®.

## MISSION

The Mission of the Southwest Multiple Listing Service is to be the premier provider of accurate information and MLS services to our Participants and Subscribers.

## THE MAJOR DUTIES OF THE BOARD OF DIRECTORS

1. Determine the organization’s Mission and Purpose consistent with organizational documents. Provide continuity for the organization and represent the organization’s point of view through interpretation of its products and services and advocacy for them.
2. Govern the organization by board policies and objectives, carried out by the chief executive and employees by assigning priority to the objectives and ensuring that objectives are completed. Support management in carrying out programs and services.
3. Ensure effective organizations planning and acquire sufficient resources for the organization’s operations to finance the products and services adequately.
4. Manage resources effectively consistent with the Mission of the organization.
5. Ensure legal and ethical integrity and maintain accountability for operations including creating a budget, engaging an auditor to perform the annual audit and ensuring compliance of customers with terms of use of products.
6. Monitor and strengthen programs and services.
7. Serve as Court of Appeals on compliance matters.
8. Recruit and orient new board members and asses board performance.

### The Principal Fiduciary Duties of Boards of Directors

**Duty of Loyalty** – The most important fiduciary duty is the duty of loyalty. The concept is simple: the decision makers with the company should act in the interests of the company, and not in their own interests. The Board of Directors need to avoid engaging in transactions that involve conflict of interest or “self-dealing.”

**Duty of Care** – The second core duty of directors is the duty of care – the duty to pay attention and to try to make good decisions. The business judgment rule applies to the duty of care.

**Duty of Obedience** – The duty of obedience requires directors to comply

with governing documents such as bylaws, articles of incorporation and policies.

**Duty of Disclosure** – The duty of disclosure requires that the company provide complete disclosure to the shareholder of a closely held corporation.

### “The board governs...the staff manages.”

**Leadership:** The Board of Directors is responsible for the direction of the organization. The board governs, develops policy, and sets a course for the future. It maintains focus on the mission and strategic goals and four major functions:

- Functions (4):**
- Governance

- Policy & Position Development
- Visionary – Future Focus
- Fiduciary

**Management:** Paid staff, contractors, and volunteers are responsible for the administration of the organization. Staff act as partners to the board, advancing the goals and strategies while taking care of the daily administrative needs unique to nonprofit organizations.

### Who Does the SWMLS Serve?

**Customers:** Participants, Subscribers

**Shareholder:** Greater Albuquerque Association of REALTORS®

**Other Stake Holders:** Buyers, Sellers

## Board Tools

Documents available to leaders in **Dropbox**.

### SWMLS Board of Directors

SWMLS Strategic Plan  
SWMLS Board Members  
GAAR Board Members  
Meeting Schedule

### Committees

Committees & Purpose, Rosters, Reports

### Budget – SWMLS/GAAR (Overviews)

SWMLS/GAAR Financial Statements  
Anti-trust Policy

### SWMLS Meeting Agendas & Packets

SWMLS Meeting Agendas & Packets Archive

### SWMLS Governing Documents

Bylaws, Policies, Rules & Regulations, Policy Tracker, and Minutes

## SWMLS Governing Documents

**Bylaws** – the written rules for conduct of a corporation. Bylaws generally provide for meetings, elections of a board of directors and officers, filling vacancies, notices, types and duties of officers, committees, assessments and other routine conduct. Bylaws are, in effect, a contract among members and must be formally adopted and/or amended. Requires a vote of participants to change.

**Policies** - prudence or wisdom in the management of affairs. Policies are established by the board of directors.

**Rules & Regulations** – provide information regarding procedures to list and maintain properties of a type required by the MLS and rules pertaining to the operation of the MLS.

## Committees

Committees *recommend* →

Board *approves* →

Staff and volunteers *implement*.

**Standing Committees** – identified in the bylaws, appointed annually, on-going committee work.

### SWMLS Policy Committee

**Purpose:** To discuss and suggest to the Board of Directors changes in SWMLS Rules and Regulations and Policies.

### SWMLS Compliance Committee

**Purpose:** To ensure compliance with SWMLS Rules and Regulations and Policies.

### SWMLS Nominating Committee

**Purpose:** To present a slate of Officer and Director Nominees for election.

### SWMLS Executive Committee

**Purpose:** To conduct business between meetings of Board of Directors.

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## Why Does SWMLS Have Guiding Principles?

The Guiding Principles were created to give a common language to service on the Board of Directors. The principles are practiced and learned by each director and each director gives a personal commitment to the principles. The principles guide the ongoing business of the Board of Directors. Should any of the principles be violated, it is the obligations of each director to auto execute and for the remainder of the directors to mentor others in upholding the commitment.

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## Guiding Principles for Board of Director Service

### **Trustworthiness**

Be honest • Don't deceive, cheat, or steal • Be reliable – do what you say you will do • Have the courage to do the right thing • Build a good reputation • Be loyal – stand by the board of directors • Honor confidentiality

### **Respect**

Treat others with respect; follow the Golden Rule • Be tolerant and accepting of differences • Use good manners, not bad language • Be considerate of the feelings of others • Don't threaten anyone • Deal peacefully with anger, insults, and disagreements

### **Responsibility**

Do what you are supposed to do • Plan ahead • Persevere: keep on trying! • Always do your best • Use self-control • Be self-disciplined • Think before you act – consider the consequences • Be accountable for your words, actions, and attitude • Set a good example for others • Start and end meetings on time • Be mindful of others' time when speaking • Keep on topic

### **Fairness**

Play by the rules • Be open-minded; listen to others • Don't take advantage of others • Don't blame others carelessly • Treat all people fairly • Don't be repetitive

### **Caring**

Be kind • Be compassionate and show you care • Express gratitude • Forgive others • Help people in need

### **Citizenship**

Do your share to make your community and stakeholders better • Cooperate • Get involved in Board meetings • Stay informed; vote • Be a good neighbor • Obey laws and rules • Respect authority • Protect the environment • Volunteer • Participate fully • Support decisions of the Board of Directors