



# **CORPORATE POLICY MANUAL**

**Version 2023.11**

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**GREEN VALLEY RECREATION, INC.  
CORPORATE POLICY MANUAL**

**Table of Contents**

<b>INTRODUCTION .....</b>	<b>1</b>
<b>PART 1: MEMBERSHIP AND FACILITIES .....</b>	<b>2</b>
<b>SECTION 1 - DUES AND FEES .....</b>	<b>2</b>
1.1.1 General .....	2
1.1.2 Annual Dues.....	2
1.1.3 Annual Dues Installment Payment Plan.....	2
1.1.4 Due Date and Effect of Nonpayment of Annual Dues.....	3
1.1.5 Initial Fees.....	3
1.1.6 Membership Change Fee.....	3
1.1.7 Other Fees .....	4
1.1.8 Member Payment Transactions .....	5
<b>SECTION 2 - USE OF GVR FACILITIES.....</b>	<b>5</b>
1.2.1 Identification Cards .....	5
1.2.2 Guest Policy .....	5
1.2.3 Life Care Members .....	6
1.2.4 Code of Conduct .....	6
1.2.5 General Facilities Rules and Regulations.....	7
1.2.6 Use of GVR Facilities.....	8
1.2.7 Political Activities .....	9
1.2.8 Special Uses.....	9
1.2.9 Rentals and Fees .....	10
<b>SECTION 3 - SUSPENSION OF PRIVILEGES .....</b>	<b>11</b>
1.3.1 Suspension for Delinquency .....	11
1.3.2 Suspension for Conduct .....	11
<b>PART 2: BOARD OF DIRECTORS .....</b>	<b>13</b>
<b>BOARD CREDO.....</b>	<b>13</b>
<b>SECTION 1 – GOVERNANCE.....</b>	<b>13</b>
2.1.1 Powers and Responsibilities.....	13
<b>SECTION 2 - OFFICER ELECTIONS.....</b>	<b>14</b>
2.2.1 General .....	14
2.2.2 The Nominating Ballot .....	14
2.2.3 The Electing Ballot .....	15
2.2.4 Director Vacancies .....	15
<b>SECTION 3 - MEETINGS .....</b>	<b>15</b>
2.3.1 Board Meetings.....	15
2.3.2 Conduct for Board Meeting .....	17
2.3.3 Agenda Scheduling and Preparation .....	18
2.3.4 Minutes and Recordings of Board Meetings.....	18

<b>SECTION 4 - CODE OF CONDUCT .....</b>	<b>19</b>
2.4.1 Board Code of Conduct .....	19
2.4.2 Code Enforcement Procedures .....	20
<b>SECTION 5 – LEGAL COUNSEL.....</b>	<b>21</b>
2.5.1 Use of Legal Counsel .....	21
<b>PART 3: COMMITTEES .....</b>	<b>22</b>
<b>SECTION 1 – GENERAL.....</b>	<b>22</b>
3.1.1 Committees of The Board of Directors .....	22
<b>SECTION 2 - BOARD AFFAIRS COMMITTEE.....</b>	<b>23</b>
3.2.1 Membership .....	23
3.2.2 Responsibilities.....	23
<b>SECTION 3 – FISCAL AFFAIRS COMMITTEE .....</b>	<b>23</b>
3.3.1 Membership .....	23
3.3.2 Responsibilities.....	23
<b>SECTION 4 – PLANNING &amp; EVALUATION COMMITTEE .....</b>	<b>24</b>
3.4.1 Membership .....	24
3.4.2 Responsibilities.....	24
<b>SECTION 5 - AUDIT COMMITTEE .....</b>	<b>24</b>
3.5.1 Membership .....	24
3.5.2 Responsibilities.....	24
<b>SECTION 6 - NOMINATIONS &amp; ELECTIONS COMMITTEE .....</b>	<b>25</b>
3.6.1 Membership .....	25
3.6.2 Responsibilities.....	25
<b>SECTION 7 - INVESTMENTS COMMITTEE.....</b>	<b>26</b>
3.7.1 Membership .....	26
3.7.2 Responsibilities.....	26
<b>PART 4: CHIEF EXECUTIVE OFFICER .....</b>	<b>28</b>
<b>SECTION 1 - AUTHORITY OF THE CEO .....</b>	<b>28</b>
4.1.1 General .....	28
4.1.2 Fiscal Authority.....	28
4.1.3 Programmatic Authority.....	28
<b>SECTION 2 - RESPONSIBILITIES .....</b>	<b>29</b>
4.2.1 Board Relationship .....	29
4.2.2 Human Resources .....	29
4.2.3 Other Responsibilities .....	30
<b>SECTION 3 - CEO REVIEW .....</b>	<b>30</b>
4.3.1 CEO Annual Review .....	30
<b>PART 5: FISCAL/ACCOUNTING.....</b>	<b>31</b>
<b>SECTION 1 - FISCAL POLICY .....</b>	<b>31</b>
5.1.1 Definitions .....	31
5.1.2 Accounting .....	31
5.1.3 Purchasing .....	31
5.1.4 Investment Policy .....	31

5.1.5	Financing .....	31
5.1.6	Revolving Line of Credit .....	32
<b>SECTION 2 – OPERATING CASH POLICY .....</b>		<b>32</b>
5.2.1	Overview .....	32
5.2.2	Purpose .....	32
5.2.3	Description of Cash Accounts.....	32
5.2.4	Operating Cash Policy .....	33
<b>SECTION 3 - RESERVE POLICY .....</b>		<b>36</b>
5.3.1	Overview .....	36
5.3.2	Maintenance of GVR Financial Reserve System .....	36
5.3.3	Maintenance, Repair & Replacement Reserve Fund (MRR-A) .....	38
5.3.4	Maintenance, Repair and Replacement Fund (MRR-B).....	38
5.3.5	Initiatives Reserve Fund .....	39
5.3.6	Emergency Reserve Fund.....	39
<b>SECTION 4 – PROCUREMENT POLICY .....</b>		<b>40</b>
5.4.1	Overview .....	40
5.4.2	Bidding and Disbursement Process .....	41
5.4.3	Exceptions to Bidding and/or Approval Process .....	42
5.4.4	Requirement for Obtaining Bids Waived .....	43
5.4.5	Lease or Rental Agreement .....	43
5.4.6	Vendor Relationships .....	43
<b>PART 6: GVR PROGRAMS AND CLUBS .....</b>		<b>44</b>
<b>SECTION 1 - GVR PROGRAMS.....</b>		<b>44</b>
6.1.1	Objective .....	44
6.1.2	Acceptance of Grant Funding .....	44
6.1.3	GVR Activities Open to the General Public .....	44
6.1.4	General Public Ticket Surcharges .....	44
6.1.5	GVR as Ticket Outlet for Non-GVR Sponsored Programs.....	44
<b>SECTION 2 - GVR CLUBS .....</b>		<b>44</b>
6.2.1	Organization .....	44
6.2.2	Membership/Guests/Monitoring .....	45
6.2.3	Insurance .....	46
6.2.4	Financial and Tax Requirements.....	47
6.2.5	Sales Tax.....	47
6.2.6	Facilities .....	48
6.2.7	Clubs and Class Offerings.....	48
6.2.8	Club Reporting and Records Management .....	49
6.2.9	Club Bylaws .....	49
6.2.10	Member Code of Conduct .....	49
6.2.11	Dissolution of a Club .....	50
<b>SECTION 3 - HOBBY SHOPS AND STUDIO CLUBS.....</b>		<b>50</b>
6.3.1	Basic Services .....	50
6.3.2	Equipment .....	50
6.3.3	Members’ Use of Hobby Shops.....	51
6.3.4	Merchandise/Product Sales.....	51

<b>PART 7: COMMUNICATIONS .....</b>	<b>52</b>
<b>SECTION 1 – OVERVIEW .....</b>	<b>52</b>
7.1.1 Communications Statement .....	52
<b>SECTION 2 - EXTERNAL COMMUNICATIONS.....</b>	<b>52</b>
7.2.1 Public Information Officer (PIO) as Point of Contact.....	52
7.2.2 Information Prohibited from Public Release .....	52
7.2.3 Correction of Inaccurate Information .....	52
7.2.4 Media Access.....	52
<b>SECTION 3 - MEMBER COMMUNICATIONS.....</b>	<b>53</b>
7.3.1 Member Communications Sent to Staff .....	53
7.3.2 Member Communications Sent to Board of Directors .....	53
<b>SECTION 4 - BOARD OF DIRECTORS COMMUNICATIONS.....</b>	<b>53</b>
7.4.1 Board of Directors Email Policy .....	53
7.4.2 Board of Directors Internal Email Policy .....	53
<b>PART 8: RISK MANAGEMENT .....</b>	<b>55</b>
<b>SECTION 1 - GENERAL .....</b>	<b>55</b>
8.1.1 Policy .....	55
8.1.2 Disaster Recovery .....	55
<b>SECTION 2 – INSURANCE AND INDEMNIFICATION .....</b>	<b>56</b>
8.2.1 Coverages.....	56
8.2.2 Volunteers and Members .....	56
8.2.3 Committee Members .....	56
8.2.4 Indemnification.....	56
<b>SECTION 3 – FRAUD POLICY .....</b>	<b>56</b>
8.3.1 Scope of Policy .....	56
8.3.2 Actions Constituting Fraud .....	56
8.3.3 Reporting Procedures .....	57
8.3.4 Investigative Responsibilities.....	57
8.3.5 Confidentiality .....	58
8.3.6 Results of Investigation .....	58
8.3.7 Administration.....	58
<b>PART 9: HUMAN RESOURCES.....</b>	<b>59</b>
<b>SECTION 1 - EMPLOYMENT PRACTICES MANDATES.....</b>	<b>59</b>
9.1.1 Non-Discrimination Policy.....	59
9.1.2 Non-Discrimination Practices .....	59
<b>SECTION 2 - CORPORATE PERSONNEL .....</b>	<b>59</b>
9.2.1 Policy Statement.....	59
9.2.2 Equal Employment Opportunity Policy.....	59
<b>SECTION 3 – MISCELLANEOUS.....</b>	<b>60</b>
9.3.1 Volunteers .....	60
9.3.2 GVR 401(K) Contribution Plan .....	60
9.3.3 Records Retention Policy .....	60
<b>PART 10: MISCELLANEOUS .....</b>	<b>61</b>

<b>SECTION 1 - PETITIONS FOR BOARD CANDIDATES &amp; PROPOSED BYLAW AMENDMENTS .....</b>	<b>61</b>
10.1.1 Petition Process .....	61
10.1.2 Requirements for Signatures .....	61
<b>SECTION 2 - EXAMINATION OF CORPORATE DOCUMENTS.....</b>	<b>61</b>
10.2.1 Inspection of Records .....	61
10.2.2 Charge for Documents.....	61
<b>SECTION 3 - TYPOGRAPHICAL ERRORS .....</b>	<b>61</b>
10.3.1 Discovery of Error .....	62
10.3.2 Correction of Error .....	62
<b>APPENDIX 1 – BOARD POLICIES .....</b>	<b>63</b>
<b>SECTION 1 - BUDGET DEVELOPMENT POLICY.....</b>	<b>63</b>
1.1.1 Objective .....	63
1.1.2 Policy .....	63
1.1.3 Limitations .....	64
<b>SECTION 2 - GVR FACILITIES POLICY STATEMENT.....</b>	<b>65</b>
1.2.1 Resolution.....	65
<b>SECTION 3 - GVR INVESTMENT POLICY STATEMENT .....</b>	<b>65</b>
1.3.1 Introduction .....	65
1.3.2 Purpose and Scope.....	66
1.3.3 Definitions .....	66
1.3.4 Management of Investments .....	66
1.3.5 Operating Cash Investment Objectives .....	66
1.3.6 Permitted Investments .....	71
1.3.7 Review and Monitoring .....	72
1.3.8 Responsibilities of the Client.....	72
1.3.9 Responsibilities of the Advisor .....	73
1.3.10 Remediation.....	73
1.3.11 Acknowledgments .....	74
1.3.12 Investment Policy Statement – Definition of Terms .....	74
<b>SECTION 4 - GVR PHILANTHROPIC NAMING OPPORTUNITIES POLICY.....</b>	<b>76</b>
1.4.1 Purpose .....	76
1.4.2 Naming in Recognition of Financial Support.....	76
1.4.3 General Provisions .....	76
1.4.4 Approvals .....	77
1.4.5 Naming Conventions .....	77
<b>SECTION 5 - GVR RESERVE STUDY POLICY.....</b>	<b>77</b>
1.5.1 Overview .....	77
1.5.2 Reserve Study .....	78
1.5.3 Annual Reserve Study .....	79

# INTRODUCTION

## **Green Valley Recreation, Inc. (GVR) Corporate Policy Manual (CPM)**

### **Name of The Corporation**

The name of the corporation shall be **GREEN VALLEY RECREATION, INC.**, hereinafter referred to as "The Corporation" or "GVR." GVR conducts business as a non-profit corporation as prescribed within the Arizona Revised Statutes, Title 10, Corporations and Associations.

### **Business of The Corporation**

The purpose of The Corporation is to provide recreational, cultural, and educational programs for the enjoyment of GVR Members and their guests. As a non-profit corporation, GVR is recognized as a "civic organization" within the U.S. Internal Revenue Code with a 501(c)(4) tax classification. GVR's Employer Identification Number (EIN) is 23-7185629.

In support of the mission statement the Board has established the governing values for The Corporation as follows:

- Provides quality recreational opportunities.
- Provides and maintains quality recreational facilities.
- Proactively manages financial resources.
- Responsive to members.
- Maintains qualified staff at all levels.
- Promotes strong volunteer participation.
- Maintains involvement in community events/issues.

### **Mission of The Corporation (July 28, 2021)**

To provide excellent facilities and services that create opportunities for recreation, social activities, and leisure education to enhance the quality of our members' lives.

### **Vision of The Corporation (July 28, 2021)**

To be a friendly, vibrant community of choice for adults desiring lifelong opportunities for physical, mental, and social engagement.

This policy manual is published to aid in the governing of GVR and to promote the health, safety and welfare of the members of The Corporation. This manual supports the Articles of Incorporation and the Bylaws and provides a detailed process used by the Board of Directors (Board) of GVR to implement policies of The Corporation. Governing documents such as Articles of Incorporation, GVR Bylaws, and other essential advisories that impact the governance of GVR can be found on file in the corporate office located at 1070 S. Calle de las Casitas, Green Valley, Arizona.

These policies may be amended or changed in whole or in part by a majority vote of the Board. Further information on most items can be found in the minutes of the Board meetings wherein approval was granted and policy made.

This manual will reflect any changes, additions or deletions as determined by the Board with an effective date adopted by the Board.



# **PART 1: MEMBERSHIP AND FACILITIES**

## **SECTION 1 - DUES AND FEES**

### **1.1.1 General**

Annual dues and fees shall be established each year by the approval of a majority of the Board in office, provided that should the Board fail to establish the amount of a particular fee, it shall remain unchanged from the previous year.

### **1.1.2 Annual Dues**

- A. The Board shall establish membership dues for each fiscal year on or before December 10. In establishing annual dues, the Fiscal Affairs Committee (FAC) and the Board shall use the following formula as a starting point. The sum of 50% of the CPI (W) percentage increase/decrease through September of the current year and 50% of the Social Security percentage increase/decrease for the current year. To the extent permitted by law, the FAC and the Board may deviate from this formula in establishing the dues after taking into consideration all relevant factors including, but not limited to, projected operating costs, maintenance projects, and appropriate reserves. These dues are payable on or before January 1 of that same fiscal year.
- B. Upon the initial purchase of a property in a deed-restricted subdivision, the annual dues shall be prorated as of the date of closing. When an owner of property in a subdivision which is not master deed restricted subjects his/her property to a GVR deed restriction, the annual dues shall be prorated as of the date the property is made subject to the voluntary deed restriction.
- C. Commercial Residential/Care Facility (CRCF) membership properties shall pay annual dues in an amount equal to the then current annual dues multiplied by the number of units in the facility, regardless of whether or not such units are occupied.

### **1.1.3 Annual Dues Installment Payment Plan**

- A. Payment plans are available to members who prefer to pay annual dues in monthly installments rather than paying in full, subject to the limitation in (C) below.
- B. The fees for setup and administrative costs associated with a payment plan will be established by the Board.
- C. A GVR property must be owner-occupied in order to qualify for a payment plan.
- D. The past and current month's payments will be charged and must be paid at the time the plan is set up.
- E. If a member requests a payment plan, his/her account may be subject to all applicable finance charges.
- F. Members will only be able to use the payment plan with an Automatic Clearing House (ACH) Debit.

- G. At the time of the request, future finance charges will stop unless the member defaults on payments. If the account is defaulted, all past applicable finance charges that would have been charged will become due.
- H. Members may continue to use GVR facilities and attend programs if they are current with their payments.

#### **1.1.4 Due Date and Effect of Nonpayment of Annual Dues**

- A. Annual dues are due and payable on or before January 1st.
- B. Any dues, fees, or assessments that are not paid in full ten (10) days after their due dates shall be deemed delinquent and subject to a late fee as determined by the Board.
- C. If a member's account remains delinquent as of May 1, the account will be referred to counsel for collection, including, but not limited to, the recording of a notice of lien against the member's property and the initiation of legal proceedings against the delinquent member and/or his/her property. Collection costs, including, but not limited to, attorney's fees and court costs, shall be the responsibility of the delinquent members.
- D. A member who has entered into an approved payment plan with GVR and is in compliance with the terms thereof shall not be considered delinquent.

#### **1.1.5 Initial Fees**

- A. The Initial Fee may be adjusted annually by the Board based on the Department of Labor CPI (Consumer Price Index), "all items, Western Urban Region," rounded to the nearest dollar amount.
- B. The Initial Fee applies upon the sale of a deed-restricted GVR property from a developer to a third party or upon an owner electing to voluntarily deed restrict property for GVR membership.
- C. An owner paying an Initial Fee shall be exempt from paying the Membership Change Fee on that property.
- D. A portion of the revenue from Initial Fees is to be used to fund contributions to the Initiatives Reserve Fund as determined by the Board.

#### **1.1.6 Membership Change Fee**

- A. Upon transfer of title of a GVR membership property, the new owner shall pay a Membership Change Fee.  
Exemptions:
  - 1. The Membership Change Fee shall not apply to the transfer of legal ownership of a GVR deeded property from a trust if the resulting legal owners of the property are identical to the trustees of the trust immediately prior to the transfer.
  - 2. A person or legal entity who acquires ownership of a legal or beneficial interest of the GVR property resulting from death, sells it within six (6) months of the date of death will be exempt from the Membership Change Fee (and Transfer Fee) provided they do not elect to utilize the

- facilities or have Tenants in the property who wish to utilize the facilities.
- B. The Membership Change Fee shall be refunded if the following apply:
1. A Member has owned and occupied a GVR property within 365 days of transfer of title, provided that the Member demonstrates that she/he has moved from one owner-occupied primary GVR residence to another owner-occupied primary GVR residence and has presented GVR with background material showing this was a change in primary residence.
  2. The Member(s) has owned and occupied the GVR property being sold for at least one (1) year.
  3. A tenant card has not been issued on the property within the twelve (12) months immediately prior to the sale of the owner-occupied property.
  4. The Member(s) submit a refund request for the Membership Change Fee. GVR will review the property transaction details to confirm ownership and eligibility for both properties. Refunds will be processed upon verification.
- C. Revenue from the Membership Change Fee may be used as will most effectively further the general purpose of The Corporation to provide for current and future needs. A portion of the revenue from Membership Change Fee is to be used to fund contributions to the Initiatives Reserve Fund as determined by the Board.

### 1.1.7

#### Other Fees

- A. A fee for service is payment for the work involved in an operation that benefits individual members, as distinct from the entire membership.
1. The Board has established fees for services:
    - a. **Transfer Fees:** There shall be a charge for the processing of the documents upon a change in the title of a membership property.
    - b. **Tenant Fees:** Upon application, tenant cards shall be issued to a person leasing GVR membership property. There will be a charge for a tenant card.
  2. The authority to establish and modify operational fees is delegated to GVR Administration as part of the ongoing day-to-day management of the organization. Such fees fall in the following broad categories.
    - a. **Programmatic Fees:** These fees are established to provide cost recovery of direct expenses related to entertainment, participation, and instructional programs.
    - b. **Facility Fees:** These fees are established to provide cost recovery related exclusively to the use of facility space and/or equipment by outside groups and member usage beyond the basic services of GVR. Such fees include, but are not limited to,

reservations, time incremental facility usage, equipment, custodial, technician, and catering. Damage deposits are required.

- c. **Administrative Fees:** These fees are established to provide cost recovery for miscellaneous services provided to members and outside parties. Such fees include but are not limited to, photocopying, facsimile, computer, facility keys, card replacement and publications.
- d. **Processing Fees:** These fees are established to provide cost recovery for labor and overhead generated through business transaction to members and outside parties. Such fees will be attached to all transactional business including, but not limited to, member dues, programs, instructional courses, and rentals.

### **1.1.8 Member Payment Transactions**

Member payment transactions are subject to a processing fee.

## **SECTION 2 - USE OF GVR FACILITIES**

### **1.2.1 Identification Cards**

- A. It is the policy of GVR that each authorized user of GVR facilities be issued a GVR membership identification card (ID) as set forth herein.
  - 1. An ID card shall be issued to each GVR Member, each Assigned Member, each CRCF Resident, and each Life Care Member.
  - 2. A spouse of a GVR Member shall be issued an ID card unless the spouse has disclaimed interest in the property.
  - 3. If a GVR property is held in a trust, each trustee shall be issued an ID card unless the trust specifies otherwise.
  - 4. If a GVR property is owned by a corporation, LLC, or similar entity, an ID card shall be issued to up to two (2) officers or managing partners.
  - 5. Additional Card Holder:
    - a. Complimentary Cardholder ID: An ID card shall be issued at no fee for one (1) individual residing with a sole owner GVR Member or sole Assigned Member upon proof of residency.
    - b. Complimentary Guest ID: A single only annual guest card shall be issued to sole-owner GVR Members for no fee where there is no other person residing with the GVR Member.
    - c. Additional Cardholder: For a fee, established by the Board, an ID card shall be issued to other individuals upon proof of residency.

### **1.2.2 Guest Policy**

- A. Guest privileges are intended for temporary visitors of a Regular Member, Assigned Member, Tenant, CRCF Resident, or Life Care Member of GVR and who live outside a twenty (20) mile distance from established GVR boundaries.
- B. GVR Members, Assigned Members, Life Care Members and CRCF Residents may purchase one (1) annual guest card which allows for four (4) adults per visit with unlimited visits. Annual guest cards are valid through the end of the calendar year and fees are not prorated. No more than one (1) annual guest card may be purchased by a GVR Member regardless of the number of properties owned and may not be purchased for tenant-occupied properties.
- C. GVR Members, Assigned Members, Life Care Members, CRCF Residents, and Tenants may purchase daily guest cards which allow for four (4) adults on a specific day.
- D. Adult guests 18 years of age and older are required to have a valid guest card when visiting GVR facilities.
- E. Guests under the age of 18 do not require guest cards and must be accompanied by an adult with privileges to use GVR facilities.
- F. Replacement of a lost or damaged annual guest card must be obtained at a customer service office for a fee established by the Board. Lost cards will be deactivated to prevent future use of the card. Damaged cards must be returned to a customer service office before a replacement card will be issued.
- G. Guest cards are required for all general facility use and club activities. However, guest cards are not required for ticketed GVR events where guests pay a higher ticket price than the member price.
- H. At management's discretion, guest usage of GVR facilities may be limited to non-primetime hours. Signage will be added to all facility gates reminding individuals that each person must swipe (or 'tap' for proximity cards) a GVR-issued ID card.

### **1.2.3 Life Care Members**

- A. Life Care Members are former GVR Members in good standing who currently reside in a life care facility in the greater Green Valley area and have requested the use of GVR facilities.
- B. Life Care Members must make annual application for privileges in the Membership Office.
- C. Life Care Members shall pay an annual non-refundable fee established by the Board, which is pro-rated the first year.
- D. A distinctive ID card will be issued by GVR, which will permit the individual to use GVR facilities, register for programs, and attend club functions.

### **1.2.4 Code of Conduct**

- A. It is the policy of GVR to treat all people with dignity, respect and equality regardless of age, race, color, ancestry, country of origin, disability, ethnicity, marital status, family status, veteran status, gender, religion, sexual orientation or gender identity.

1. Users of GVR facilities are required to comply with GVR published rules and regulations.
2. Users are expected to show common courtesy to employees, Directors, volunteers and other members and guests.
3. Users shall refrain from using offensive language and behavior.
4. Members are responsible for the conduct of their guests.
5. Violation of the above codes of conduct may result in a member having his/her rights and privileges suspended, as well as those of their guests or tenants.

### **1.2.5 General Facilities Rules and Regulations**

- A. GVR facilities are established for use and enjoyment of GVR Members, eligible guests and visitors who abide by the GVR Member Code of Conduct.
- B. All GVR facility reservations and arrangements shall be made through the central reservation office located at the Administrative Offices. A GVR Facility Reservation Agreement must be completed for all facility reservations and rentals. Any group, entity or individual that is not wholly comprised of GVR Members utilizing a GVR facility MUST state their purpose and sign the "Rental Agreement." This MUST be signed by a person or persons authorized to speak for the group, as part of the application process.
- C. All members and guests are required to carry their membership cards or other authorized GVR ID while using GVR facilities. Individuals must produce GVR ID when requested by staff or any staff-authorized volunteer. Members and guests are required to sign-in or swipe their membership card. Clubs and other authorized groups must provide an attendance roster or similar document which lists each person utilizing a GVR facility.
- D. Staff and staff-authorized volunteers are empowered to enforce rules and regulations.
- E. GVR member and non-member individuals and groups may rent facilities subject to current rules, regulations, and fees. GVR Members have priority in facility rentals over non-members.
- F. GVR classes may preempt drop-in use of GVR facilities.
- G. Individual members, visitors, guests, and groups using or renting GVR facilities are responsible for maintaining those facilities in a neat and orderly condition.
- H. Printed materials made available to attendees during the meeting/rental period must be removed at the end of the rental period.
- I. Individuals who damage GVR equipment due to improper or careless use are responsible for the repair or replacement of that equipment. Members are responsible for damages caused by their guests.
- J. Special GVR shop/facility rules and regulations must be complied with by individual members, visitors, guests, and groups.

- K. Non-member "Personal Assistants" may accompany a member to a GVR facility in order to help them with walking, showering, dressing or undressing, or with other non-therapeutic tasks as necessary and may not use GVR facilities for their own personal use.
- L. GVR reserves the right to deny the use of its facilities by members or non-members for any of the following reasons as determined in the sole discretion of the CEO:
  1. There is a reasonable concern that the individual or group may advocate or promote an activity that is prohibited by local, state or federal law.
  2. There is a reasonable concern that the individual or group may advocate discrimination based on sex, age, race, ethnicity, nationality, disability, sexual orientation, gender identity, or religion.
  3. There is a reasonable concern that use of facilities by an individual or group could lead to a civil disruption.
  4. There is a reasonable concern that the individual or group promotes a position that may be averse to GVR.
  5. There is a reasonable concern about other legal or safety issues.

### **1.2.6 Use of GVR Facilities**

- A. Reservations
  1. Reservations will be assigned in the following order:
    - a. Board of Directors
    - b. Recreation Staff (e.g., special events, classes, concerts, programs, annual festivals and performances)
    - c. Regularly scheduled club events (weekly and monthly)
    - d. Community events (e.g., HOA) and rentals
    - e. Club one-time special events or parties
    - f. Private member functions
    - g. Club additional ongoing activity requests
- B. Animals are not permitted in or on GVR property, with the exception of service animals, unless otherwise authorized by the GVR Chief Executive Officer (CEO) to accommodate community events or other special circumstances.
- C. No firearms are allowed on any GVR property or in any GVR facilities except law enforcement or licensed security.
- D. It is the policy of GVR to provide and maintain a drug-free environment for its members and employees. As such, GVR prohibits the use of illegal drugs on GVR premises.
- E. Pursuant to the Smoke-Free Arizona Act (A.R.S.§36-601.01), GVR prohibits smoking in all indoor facilities and outside areas within 20 feet of all entrances and windows. Smoking is prohibited in pool areas and in all GVR vehicles. Smoking will be allowed in designated outdoor areas only.
- F. GVR prohibits vaping in all non-smoking areas, including in all indoor facilities and areas within 20 feet of all entrances and

windows. Vaping is prohibited in pool areas and in all GVR vehicles. Vaping will be allowed in designated outdoor areas and wherever smoking is allowed.

- G. GVR facilities will not be used by any member for commercial purposes with the following exceptions:
  - 1. With the prior written approval of GVR administration, a GVR Member may temporarily display items for sale at a particular facility if they are intended to assist or benefit those using that facility to participate in the associated/related activity; and
  - 2. Personal sales resulting from hobby pursuits.
- H. It is the responsibility of each individual seller to obtain an Arizona Transaction Privilege Tax License.
- I. Liquor Policy
  - 1. The sale of intoxicating beverages is not permitted on GVR premises without a special sales permit or liquor license and appropriate liquor liability policy. Prior to applying for a liquor license, permission must be received from the GVR CEO.
  - 2. Members are permitted to bring their own beverages (BYOB) to an activity, if allowed by the host. However, written permission must be obtained from GVR at the time the reservation agreement is signed or prior to the event or activity. No alcohol may be stored in a GVR facility.

### **1.2.7 Political Activities**

- A. GVR Members may circulate petitions and/or solicit support or opposition of GVR candidates or ballot issues in GVR facility lobby areas, common areas, and parking lots as long as such activities do not interfere with GVR operations or facility reservations or violate fire code regulations as determined by GVR staff.
- B. Surveys, opinion polls and questionnaires related to GVR affairs, and distributed on GVR property, may be circulated by members only after being reviewed by GVR administration for accuracy and suitability.
- C. GVR facility areas may be rented for political party meetings, campaign events, polling places, and informational presentations such as candidate forums or town hall meetings, whether related to GVR elections or outside political causes, subject to space availability.
- D. Advertising or promotional signage for non-GVR elected positions (e.g., public sector election campaigns), including solicitation of support/opposition regarding candidates or ballot issues is NOT permitted on GVR property except as follows:
  - 1. Within rented meeting space during the rental period; or
  - 2. In public areas and parking lots of a GVR facility being used as a polling place on election day or as an early voting site during the period of early voting.

### **1.2.8 Special Uses**



- A. Use of Hobby Shops and Studios
  - 1. These facilities are monitored by volunteers. When asked, members and guests must show their GVR membership or guest cards to use the facilities. Clubs have the right to restrict use of club facilities to club members only.
- B. Use of Kitchens
  - 1. GVR kitchens are classified as catering kitchens. Food preparation and cooking is not allowed. Kitchen facilities may be used for warming pre-cooked food or for chilling cold entrées.
- C. Use of Caterers
  - 1. Caterers must be registered and approved by GVR in order to work in GVR facilities. Contact the central reservation office located at the Administrative Offices for a current list of approved caterers.
- D. Use of Storage
  - 1. GVR may provide small storage space, at no cost, to clubs if space is available.
  - 2. Clubs may provide locks.
  - 3. GVR is not liable for any property lost, damaged or stolen while in storage.
- E. Use of Equipment
  - 1. GVR may provide and maintain furniture and equipment in the facilities for the recreational use of its members.
- F. GVR Pool Management Policies
  - 1. GVR offers heated swimming pools and spas for member use.
  - 2. Hours of operation are established and posted by GVR administration.
  - 3. GVR pools shall operate in compliance with Pima County Code Title 8, Chapter 8.322, "Swimming Pool and Spas," and any other applicable Pima County regulations.
  - 4. GVR staff has authority to close a swimming pool or spa if they determine that its operation and use presents danger to individuals.
  - 5. GVR follows the guidelines provided by the National Lightning Safety Institute (NLSI) to determine when to close indoor and outdoor swimming pools, spas and showers due to lightning as a safety precaution. As of August 2014, NLSI guidelines state:
    - a. Both outdoor and indoor pools and showers will be evacuated before or when lightning is within five miles.
    - b. At the first signs of thunder or lightning, all pool and shower activities will be suspended until 30 minutes after the last observed thunder or lightning.

### **1.2.9 Rentals and Fees**

- A. The CEO will implement a board-approved fee schedule for rental of GVR facilities. The CEO is authorized to waive facility rental fees in special circumstances, as deemed appropriate.

- B. Rental fees for groups composed solely of GVR Members shall be waived; however, all individuals and groups (whether member or non-member) may be charged fees for special computer and technology setups; internet connections; LED projection; special sound system or lighting requirements, overtime cleanup charges, or labor charges for special setup needs which require additional personnel.
- C. GVR is interested in supporting community service events, and may rent its facilities on a fee basis for such events whenever it is practical to do so. A community service event is normally sponsored by a non-profit organization or local government agency.
- D. The CEO may authorize use of GVR facilities on a complimentary or fee basis for any GVR-sponsored, GVR co-sponsored, or GVR Foundation event or activity.
- E. Fees may be charged to recover the cost of any specialized services, events or programs.

## **SECTION 3 - SUSPENSION OF PRIVILEGES**

### **1.3.1 Suspension for Delinquency**

Any GVR Member who has not paid dues, fees or assessments as of the time such payment is due becomes delinquent and shall automatically be declared a 'Member Not in Good Standing.' Any GVR Member Not in Good Standing and his/her Additional Card Holder, Assigned Member and/or Tenants and Guests shall not be entitled to use GVR facilities. The delinquent member shall not hold any office, nor vote in any election. Upon payment of all delinquent dues, penalties, fees, assessments, together with the cost of collection, said member shall be restored to good standing.

### **1.3.2 Suspension for Conduct**

- A. Any cardholder who violates the established rules and regulations of GVR is subject to suspension of privileges. Copies of rules and regulations are posted within GVR facilities.
- B. The CEO or designee has the authority to determine if a violation is major or minor. The CEO or designee is authorized to immediately deny any individual access to facilities for a period of up to ten (10) days for minor violations, including, but not limited to, failure to provide his/her membership card or other GVR identification card. In the event of a major violation, including but not limited to violation of any law, physical confrontation, verbal abuse, the CEO or designee shall have the authority to immediately deny any individual access to facilities until the violation can be investigated.
- C. Minor Incidents - Upon receipt of a complaint from a GVR member or staff, the CEO or designee will investigate the complaint as follows:
  1. Contact the person who filed the complaint.
  2. Contact witnesses or those parties to the incident which

- resulted in the complaint.
3. Contact the individual(s) against whom the complaint was filed, either in person or by phone. If direct contact is not available, the contact may be made by email or letter.
  4. The CEO shall then determine if the complaint is valid. If the complaint is determined to be valid, the individual(s) may be subject to counseling, either in person or by letter, or may be subject to suspension of any or all privileges, and/or use of facilities for a period not to exceed ten (10) calendar days. The decision of the CEO is final.
- D. Major Incidents – The CEO or designee shall take immediate action and personally handle the situation as follows:
1. Contact the Board President immediately.
  2. The CEO, the Board President and the Board Affairs Committee Chair shall conduct an investigation within two (2) weeks. They shall convene a meeting with the individual and/or a representative against whom the complaint was lodged as well as the complainant. During the process, the accusing party has the right to submit verbal or written information subject to rebuttal by the accused and witnesses, if any.
  3. Upon completion of the above, a report on the findings of the investigation, along with recommended actions will be presented to the Board.
- E. The Board will convene in an Executive Session within two (2) weeks to review the report, discuss the particulars of the incident and decide on the appropriate action. If a majority of the Board, then in office, determines that a suspension is warranted, the duration and nature of the suspension must be determined. The suspension may apply to the use of all GVR facilities or select facilities.
1. The original suspension determined by the CEO shall be extended until this process has been accomplished.
  2. If the Board decides to continue the suspension, the CEO shall send the individual and/or representative a written "Notice of Suspension" within 48 hours of the Board's decision. The "Notice of Suspension" shall include the details of the suspension, as well as the appeal procedure.
  3. If the individual and/or representative opts to appeal the Board's suspension of a major issue, the CEO will notify the Board President and will appoint an Appeals Officer(s) to hear the appeal. The CEO will provide the individual with the date, time and location for presentation of that appeal. The suspension shall continue until the process has been completed. A written response may be presented in lieu of a personal appearance. The Appeals Officer(s) shall be authorized to decide if the proposed suspension should be upheld, reduced or cancelled. Unless the Appeals Officer(s) decides that the suspension should be cancelled or be reduced, the decision of the Board shall be final.

# PART 2: BOARD OF DIRECTORS

## BOARD CREDO

Our purpose is to serve the best interests of our current and future members through responsible and effective governance of GVR. We represent ALL members and seek to ensure that all community interests are understood and considered in our decision making. (See full Board Credo on GVR website)

## SECTION 1 – GOVERNANCE

### 2.1.1 Powers and Responsibilities

- A. The Board shall be the governing Board of GVR, establishing policies and monitoring compliance with those policies. The governing Board year begins after the Annual Meeting and ends following the next Annual Meeting.
- B. The Board shall participate in developing, tracking, and maintaining a strategic plan to assist GVR in shaping its future. The Strategic Plan and accompanying annual Work Plan shall help drive a 5-Year Capital Plan for GVR. Towards that end, the following policies are an integral part of the plan:
  - 1. Annual Strategic Plan Review – Each year the Board shall review and approve an annual Work Plan consistent with the Strategic Plan.
  - 2. Integration with Programs and Services – The Strategic Plan, the annual Work Plan, and the 5-Year Capital Plan shall be provided to Board Committees, and GVR staff to facilitate and assist with, and support action items which pursue the fulfillment of plan objectives.
  - 3. Integration with the Budget Process – The objectives contained in the Strategic Plan and the 5-Year Capital Plan shall provide the primary basis upon which annual budget recommendations are made.
  - 4. Progress Updates to the Board – The 5-Year Capital Plan shall be a standing element report of Board and Board Committee meetings. Written status papers will be provided to the Board prior to the Board Orientation.
- C. The Board is responsible for governing in a manner that emphasizes strategic leadership rather than administrative detail. It is to be proactive in its decision making and maintain a clear delineation between staff and Board roles. In this spirit, the Board will:
  - 1. Review the responsibilities, powers, and duties of the Board annually at the first Work Session after the Annual Meeting.
  - 2. Review and approve an annual budget and ensure proper financial controls are in place.
  - 3. Attend orientations, retreats, trainings, and conferences, etc. for continuing education for the role and responsibility of the position.

4. Appoint a CEO and evaluate the CEO's performance on at least an annual basis. The CEO is the Board's only employee and the CEO is responsible for the staff.
5. Seek CEO recommendations, suggestions, and proposals on matters that come before the Board.
6. Focus on the intended long-term goals of the organization, not on the administrative or programmatic means of attaining these goals. The Board's connection to the operation of the organization is through the CEO, and all operational and departmental questions and issues shall be directed to the CEO.
7. Establish policies which address:
  - a. The products/services (needs vs costs vs member benefits)
  - b. Ethical and other boundaries for which the CEO shall be held accountable
  - c. Board roles and responsibilities
  - d. Board/CEO relationship
8. Value and honor differences and encourage diversity in viewpoints.
9. Adhere to practices of good governance; discipline itself as to attendance and meeting preparation; and support all policies approved by the Board. Individual Directors shall not undermine Board decisions.
10. Provide open and effective governance, represent the best interests of The Corporation and membership, and be accountable to the membership by competently, conscientiously and effectively executing its governing obligations.

## **SECTION 2 - OFFICER ELECTIONS**

### **2.2.1 General**

- A. Election of Board Officers will be done by secret ballot. This is applicable to both the nominating ballots and the electing ballots.
- B. Nominations from the floor will not be accepted.
- C. Election for each office follows its seniority in the Bylaws: President, Vice President, Secretary, Treasurer, Assistant Secretary, and Assistant Treasurer.
- D. The current President, or in his/her stead, the CEO shall administer the election until the new President has been elected.

### **2.2.2 The Nominating Ballot**

- A. The President will ask that nominating ballots be distributed to each Director.
- B. Each Director receiving a vote is nominated for that office.
- C. A nominating ballot cannot take the place of an electing ballot.
- D. Directors may nominate themselves for any Board office.
- E. Nominees must verbally indicate their willingness to serve before the electing ballot is distributed.

- F. The Chair will announce the names of the nominees and the number of nominations each received prior to the distribution of electing ballots.

### **2.2.3 The Electing Ballot**

- A. A nominee is considered "elected" if he/she receives a majority of the votes cast.
- B. Balloting should be repeated as many times as necessary to obtain a majority vote for one candidate. The nominee receiving the lowest number of votes is never removed from the next ballot.
- C. If a stalemate persists, the rules may be suspended in order to consider alternatives such as eliminating the candidate with the lowest number of votes. The motion to suspend the rules is not debatable and requires a 2/3 vote to pass.

### **2.2.4 Director Vacancies**

- A. Any vacancy on the Board, shall, if possible, be filled by an unsuccessful candidate from the most recent election. Priority will be given to the candidate who received the higher number of votes.
- B. The Board President will contact unsuccessful candidates in an order based on the number of votes each received, to determine willingness to fill the Director vacancy.
- C. If there is no unsuccessful candidate from the most recent election who is willing and able to serve as a Successor Director, the Nominations & Elections Committee shall advertise and recruit individuals from among regular members in good standing to serve as a Successor Director, and will present a slate of candidates to the Board.
- D. Candidates for the Successor Director position shall:
  - 1. Complete an application and answers to a list of questions prepared by the Nominations & Elections Committee for Board consideration, and
  - 2. Address the Board prior to the election of the Successor Director at a meeting of the Board where the election of Successor Director shall occur.
- E. The Board will vote by secret ballot to elect a Successor Director from among the slate of candidates presented by the Nominations & Elections Committee.

## **SECTION 3 - MEETINGS**

### **2.3.1 Board Meetings**

- A. Board meetings, excluding Executive Sessions, are open to the general membership and shall be announced in all available GVR electronic and print media.
- B. A Board meeting occurs when a quorum, majority of Directors, convenes to consider or transact business.
- C. The Presiding Officer (President) shall preside at meetings of the Board. The Vice President shall preside at meetings in the absence

of the President. In the absence of both the Secretary shall preside.

- D. Types of Board Meetings:
  - 1. Regular Meetings are the voting sessions when the Board takes official action. There must be a quorum of Directors at the meeting for action to take place. If loss of quorum occurs the meeting will recess until a quorum is established or postponed to another date. The Regular Meeting shall be held at least quarterly and generally on the fourth Wednesday of the month unless agreed upon otherwise.
  - 2. Work Sessions are not for taking action, but are for the Board to hear presentations, discuss matters, and listen to pertinent topics. Work Sessions do not require a quorum since official action is not taken. If a Director leaves during the meeting the Work Session may continue. The Work Session shall be held generally on the third Wednesday of the month unless agreed upon otherwise.
  - 3. Special Meetings may be called by the President, Vice President, or at the request of any two (2) Directors, due to special circumstances. Directors will be given two (2) days written (email) notification of any Special Meeting, followed by an agenda with the topic(s) once the meeting is set.
  - 4. Executive Sessions will be closed to handle legal or personnel issues. Directors shall not disclose the information discussed in an Executive Session, but the Board as a whole may vote to make certain items public.
  - 5. A tentative annual meeting schedule shall be approved by the Board at its first Regular Meeting following the Annual Meeting.
- E. Meetings shall be conducted under the latest edition of Robert's Rules of Order, Newly Revised, unless otherwise determined by the Board.
- F. Directors vote to approve the agenda at the Board meeting. The agenda may be amended by a majority vote of Directors present. If during the approval section of the agenda a majority of Directors support removal of any item(s) it will be removed.
- G. A Regular Meeting agenda will include:
  - 1. Consent Agenda - items of routine business that generally require no discussion by the Board or independent action. This is presented as one agenda item. Any Director may remove an item from the Consent Agenda and place it under Action Items during the Amend/Approve Agenda item on the agenda.
  - 2. Action Items – legal decisions, official positions of GVR, approve policy, and give direction.
  - 3. Committee Reports – presented by each Committee Chair.
- H. Board meetings shall not be adjourned until all agenda items have been considered, except by a majority affirmative vote of the Directors in attendance.

### **2.3.2 Conduct for Board Meeting**

- A. The Board will use the following protocol during Board meetings:
  - 1. Directors should be recognized by the President to speak or make motions.
  - 2. Regular Meetings are for decision making, action, and votes. A Director introducing a motion may speak for no more than ten (10) minutes to introduce a topic. Comments from Directors should be for no more than three (3) minutes. The Presiding Officer shall actively facilitate and guide discussions to remain on topic. The Board shall avoid creating side topics and/or asking unexpected questions of staff and each other at meetings.
  - 3. To vote on a subject, a formal motion must be made and seconded. All motions and amendments should be in writing, when possible.
  - 4. Votes will be taken by a show of hands or a roll-call vote. When a question is put forth by the Presiding Officer, every Director present shall vote for or against the question before the Board unless the Director provides an explanation for abstaining. Upon request of a Director a roll call vote will be taken.
- B. The President may debate, make motions and vote. All officers are Directors and therefore are subject to the same voting requirements described in A.4.
- C. GVR Members shall be permitted to address the Presiding Officer to provide input, subject to the following protocols:
  - 1. Member comments shall be addressed to the Presiding Officer and shall not address the actions of one or more individual Directors.
  - 2. No member may speak until recognized by the Presiding Officer. No member may interrupt another member while he/she is speaking.
  - 3. Members shall act in a courteous and civil manner. Any person making disruptive or threatening remarks or actions during a meeting may be barred by the Presiding Officer from further attendance at that meeting unless permission is granted by a majority vote of the Directors present.
  - 4. A member must identify himself/herself by name and provide his/her GVR number or GVR property address prior to addressing the Presiding Officer.
  - 5. Members are encouraged to provide written comments in addition to verbal remarks.
  - 6. Members may speak to action items being considered at each Regular or Special Meeting after all Directors have had an opportunity to speak to the issue and for no more than two (2) minutes, unless additional time is allotted by the Presiding Officer.
  - 7. Members may speak for no more than two (2) minutes on any GVR-related issue prior to the Consent Agenda and prior to adjournment of each Regular or Special Meeting,



unless additional time is allotted by the Presiding Officer. This is an opportunity for members to provide comments but not an opportunity for members to engage in questions and answers with Directors or staff. If members have questions for the Board, they are encouraged to submit their questions in writing, preferably through the Board email at Board@gvrec.org.

8. The Presiding Officer shall determine in his/her sole discretion that a member's conduct violates any rules of proper protocol for receiving member comments at Board meetings, the Presiding Officer may require the member to leave the meeting or move to recess or adjourn the meeting.

### **2.3.3 Agenda Scheduling and Preparation**

- A. The agenda shall outline the established order of business.
- B. Items should only be added to the agenda once the following are considered:
  1. Does it conform to GVR's mission and Strategic Plan?
  2. Is it urgent or have time considerations?
  3. Does it affect the GVR membership?
  4. Is it a special interest?
  5. Is it worth Board discussion at this time?
  6. How will staff time and other priorities be impacted?
  7. Is there another way to handle the request?
- C. Items for agenda consideration must be submitted to the President and CEO (or the respective designee) by 12pm (noon) six (6) business days prior to the date of the Board meeting. If the deadline for item consideration is not met, the item will be placed on the next Regular Meeting agenda. If during the approval section of the agenda a majority of Directors support removal of any item(s) it will be removed.
- D. Board Reports or any requested actions submitted by Directors must include any background materials, recommended action, a written motion, and rationale required for an understanding of the issue.
- E. A proposed meeting agenda is developed by the Board President and CEO by close of business six (6) business days prior to the Board meeting.
- F. Three (3) business days prior to the Board meeting the agenda material will be sent to the Board, posted on the GVR website, and sent to members via an eBlast. Any meeting materials for items on the published agenda not included in the Friday distribution shall be emailed to the Board as soon as available and posted online. The agenda shall be made available to GVR Members at the Board meeting in hard copy.

### **2.3.4 Minutes and Recordings of Board Meetings**

- A. The CEO's designee shall take minutes at Regular, Work Session, Special Board, Annual Meetings, and Executive Sessions unless decided otherwise.
- B. Minutes shall be retained permanently with other corporate documents in a secure location and shall be available to the members online and when requested (excluding Executive Session minutes).
- C. Minutes of the Board meetings shall contain all motions made, the name of the motion maker and seconder. The method and outcome of the votes taken will list the names of voting Directors in the minority of each vote as well as any Director abstaining from said vote. Committee reports which are "informational only" will not be summarized in the minutes. These reports will be noted "received and placed on file." Member comments are not part of the minutes.
- D. DRAFT Board minutes shall be posted to the website prior to formal approval by the Board.
- E. Recordings of all open Board meetings shall be available to the membership for one (1) year and then archived in the custody of the CEO's designee in the Administrative Office.

## **SECTION 4 - CODE OF CONDUCT**

### **2.4.1 Board Code of Conduct**

- A. The GVR Board commits itself and its members to ethical, effective and businesslike conduct, and to that end, Directors must abide by the following:
  - 1. The Presiding Officer shall preserve decorum, and will determine points of order, subject to the right of any Director to appeal to the Board, and call to order any person who disrupts the orderly conduct of business at meetings including speaking without being recognized, exceeding designated time limits, failure to be germane to the issue being presented or use of vulgarities. The Presiding Officer will enforce order, prevent attacks on personalities or the impugning of Directors' or staffs' motives, and keep those in debate to the question under discussion.
  - 2. Directors must act in the best interests of GVR without self-interest or personal bias for or against any individual or group of individuals.
  - 3. Directors must conduct themselves in a courteous, professional and businesslike manner at meetings and in their personal interactions with each other, GVR Members and staff.
  - 4. Directors may not accept any gifts or personal benefits, present or future, which could compromise, or give the appearance of compromising their independence of judgment. Directors must disclose, in an open meeting, any actual or potential conflicts of interest, including, but

not limited to, any personal or professional relationship with a company or individual seeking a business relationship with GVR, and shall not participate in any discussions or votes regarding such matters.

5. Directors must be properly prepared for Board and Committee meetings, having read all relevant background material provided for same.
6. Except as expressly authorized by the Board, Directors shall not attempt to exercise individual authority over GVR matters by doing any of the following:
  - a. Interfering with the duties of GVR staff or contractors or giving direction to any GVR employee or contractor.
  - b. Communicating with the press concerning a GVR matter for or on behalf of GVR, without explicit consent from the Board.
  - c. Directors must not disclose confidential information addressed in an Executive Session or in a communication with legal counsel without the express authorization of the Board.
  - d. Directors must be respectful of differing opinions of fellow Directors. Directors are expected to uphold duly-adopted Board decisions despite any personal disagreement therewith.
7. Directors are prohibited from engaging in the following conduct which shall be deemed outside of the scope of their duties as Directors for purposes of indemnification:
  - a. Making a verbal or written statement (on social media or otherwise) that is defamatory of any GVR Director, employee, contractor or member; or
  - b. Harassing, threatening or attempting to intimidate a GVR Director, employee, contractor or member.

#### **2.4.2 Code Enforcement Procedures**

- A. In order to ensure compliance with the GVR Board Code of Conduct (Code), the Code will be enforced as follows:
  1. An allegation of a Code violation shall be presented to the Board President who shall then call and be in charge of all proceedings to investigate the allegation. If the allegation is against the President or the President is not able to accept such responsibility, then the allegation shall be presented to the Vice President, and if the Vice President is unable to perform such duty, to the Secretary.
  2. Because allegations of Code violations are considered to be a personnel issue, all Board proceedings to investigate the allegation shall be conducted in Executive Session. The Executive Session shall be called as soon as possible to ensure that the allegation is resolved prior to any meeting in which the Board will conduct other business in order to avoid any appearance of impropriety.
  3. Any Director against whom an allegation is made has the

right to attend the Executive Session and present his/her defense. He/she may not be present or participate in any discussion and/or votes regarding the alleged violation. If the accused Director refuses to attend the Executive Session called to discuss the alleged violation, the Director will have waived his/her right to present a defense to the allegation. A finding of a Code violation requires the affirmative vote of at least two-thirds (2/3) of the Directors at the Executive Session.

4. If a Director is found to be in violation of the Code, the Directors, by a majority vote at that same meeting, shall determine which, if any, of the following sanctions to impose:
  - a. Written admonishment;
  - b. Removal from office per A.R.S. §10-3843(B);
  - c. Public censure (in an open meeting);
  - d. Request for Director's resignation; and/or
  - e. Election to recall Director.

## **SECTION 5 – LEGAL COUNSEL**

### **2.5.1 Use of Legal Counsel**

- A. The President or Vice President shall make initial contact with GVR's Legal Counsel on all Board and Board Committee matters when needed. Committee Chairs needing a legal opinion shall provide the question(s) to the President or Vice President and shall not contact the attorney directly.
- B. GVR contracts, Bylaw changes and all similar documents shall be submitted to legal counsel for review and comment prior to approval by the Board.
- C. The CEO may make contact with GVR's Legal Counsel concerning matters affecting GVR as needed.

# **PART 3: COMMITTEES**

## **SECTION 1 – GENERAL**

### **3.1.1 Committees of The Board of Directors**

- A. Standing and Special/Ad Hoc Committee Chairpersons must be Directors. Chairpersons shall be nominated by the President, subject to approval of the Board. Each Committee will have a staff liaison selected by the CEO.
- B. Each Director shall have the opportunity to, and be encouraged to, serve on at least one Committee, and not more than two (2). The Board President is ex officio to all Committees, except for Audit Committee and Nominations & Elections Committee. As soon as possible, Directors shall inform the President of their committee preferences and/or willingness to be a committee chair.
- C. Board standing Committee Chairpersons shall remain active until the appointment of new Committee Chairpersons.
- D. Members are encouraged to apply for committee positions and if possible, serve for multiple years. It is recommended that chairs seek to have at least 1/3 new members each year and limit committee participation to no more than six (6) consecutive years.
- E. The Board will establish the responsibilities of the Committees as an advisory role to the Board for policy recommendations. Committees do not have authority to create policy, contract for services, expend or commit funds, or contact Board-appointed contractors such as, but not limited to, attorneys.
- F. Standing committees are suggested to be a minimum of five (5) members including the Chairperson and one other Director, and a suggested maximum of nine (9) members.
- G. Committee members shall be GVR members in good standing and must submit an application for a Committee appointment. The President, Chairperson, and CEO will review applications. After review of the applications the Chairperson will select Committee members and inform the Board of the appointments at the April meeting. Staff, as liaisons to the Committees, will be selected by the CEO. Vacancies on the Committee during the year may be filled by the Chairperson after consulting with the President.
- H. Neither a Committee Chairperson, nor a committee may direct staff. Responsibilities of Committee Chairpersons, along with Committee members and staff liaison, are to identify goals in conjunction with the Strategic Plan; provide Committee action plans to the Board for approval; provide, at least, quarterly updates to the Board; and at year-end identify accomplishments of the Committee and continuing tasks for the next year.
- I. The President may establish Special or Ad Hoc Committees comprised of members/assigned members in good standing, Directors and administrative staff as assigned by the CEO.

- J. Committees are not required to follow Robert’s Rules of Order.
- K. Meetings shall be set by the Chairperson and shall be conducted as needed, but not less than quarterly.
- L. Directors may attend any Committee meeting, whether open or closed.
- M. All materials for the Committee meeting will be available online three (3) business days before the meeting except for closed meeting materials. If the deadline for item consideration is not met, the item will be placed on the next scheduled Committee meeting agenda.
- N. Committee meetings will be open to all members, but may be held in closed session, at the discretion of the Committee or Subcommittee.

## **SECTION 2 - BOARD AFFAIRS COMMITTEE**

### **3.2.1 Membership**

To the extent possible, the Board Affairs Committee shall consist of GVR members who should have knowledge of Corporate Bylaws and Policies.

### **3.2.2 Responsibilities**

- A. Recommend modifications in organizational policies and governing values to help guide the Board in achieving its strategic goals. Assist the Board in effectively carrying out its governing functions in such a manner so as to clearly delineate the roles and responsibilities between governance and management.
- B. Review and recommend revisions, when appropriate, to the governing documents of The Corporation.
- C. Forward all BAC proposed revisions of the Articles of Incorporation or Bylaws to staff for submission to legal counsel for appropriate action. Any BAC approved change to the CPM which staff determines needs legal review will also be submitted. Should legal counsel recommend a revision to a governing document, it will be returned to the Committee for final review before being presented to the Board for appropriate action.
- D. If a committee, member or staff would like to have the BAC review a change to the CPM or other governing documents before it is taken to the Board, the requested change and rationale should be sent to the chair and staff liaison of BAC at least a week prior to the next BAC meeting.

## **SECTION 3 – FISCAL AFFAIRS COMMITTEE**

### **3.3.1 Membership**

To the extent possible, the Committee will include members knowledgeable of financial management.

### **3.3.2 Responsibilities**

- A. Review and recommend the annual budgets, including any fees or dues changes to the Board. Such review will consist of recommending, funding, financing, and usage of Reserve.
- B. Monitor progress toward achievement of annual fiscal objectives.
- C. Review financial statements, such as Operational Statement of Financial Position and Statement of Activities and capital purchases, and report to the Board, as appropriate.
- D. Review and recommend to the Board policy changes, if necessary, to assure financial control.
- E. Recommend the disposition of Operational Surplus or Deficit.

## **SECTION 4 – PLANNING & EVALUATION COMMITTEE**

### **3.4.1 Membership**

To the extent possible, the Committee will include members knowledgeable about capital project planning and evaluation processes.

### **3.4.2 Responsibilities**

- A. Meet quarterly, or as necessary, to review and recommend the capital projects for the Capital Improvement Plan to the Board, per the CPM.
- B. To be knowledgeable of the Strategic Plan and Five-Year Capital Plan to ensure that all planned capital projects comply with these plans.

## **SECTION 5 - AUDIT COMMITTEE**

### **3.5.1 Membership**

To the extent possible, the Audit Committee shall consist of two or more GVR members who should have knowledge of financial reporting and internal control procedures.

### **3.5.2 Responsibilities**

- A. The Audit Committee functions in the capacity of an overseer of GVR's financial reporting process and internal controls. This oversight is conducted by review of the reporting and communication from a qualified independent auditing firm. The Committee is not involved in The Corporation's daily accounting functions.
- B. The principal functions of the Audit Committee are:
  1. To recommend a CPA firm to the GVR Board to act as The Corporation's independent auditor.
  2. To review the independent auditor's terms of engagement.
  3. To review the results of each audit including opinion qualifications or expectations.
  4. To review the auditor's management letter and GVR management's response.
  5. To review issues and disputes that may arise between GVR management and the independent auditor during an audit.
  6. To review the adequacy of internal financial controls with

- GVR management and the audit firm.
7. Items explicitly authorized by the Board of Directors.

## **SECTION 6 - NOMINATIONS & ELECTIONS COMMITTEE**

### **3.6.1 Membership**

To the extent possible, the Nominations and Elections Committee (N&E) shall consist of the Chairperson, who shall be a Director, at least one (1) other Director on the Committee, and a minimum of two (2) members who shall represent various geographic areas to the extent possible.

Any member of the Committee who becomes a candidate for election to the Board shall resign from the Committee immediately.

### **3.6.2 Responsibilities**

- A. Nominations
  1. Submit a slate of qualified candidates to the Board at least ninety (90) days prior to the Annual Meeting.
  2. Submit a slate of qualified petition candidates to the Board at least sixty (60) days prior to the Annual Meeting.
- B. Election Process
  1. Recommend to the Board a record date to determine the eligible roster of voting members which shall be no more than thirty (30) days prior to the election. If the Board fails to set a record date, the record date shall be the date of ballot delivery.
  2. The counting of ballots, at the discretion of the Board may be conducted by an independent organization (e.g., Pima County Elections or electronic voting firm), in which case the results shall be obtained from the organization by the Nominations and Elections (N&E) Chairperson or their representative. (*Bylaws Article V Section 3*)
  3. In the election of Directors, if there are fewer than fifty (50) valid votes separating the last successful candidate and the first unsuccessful candidate in the election, or less than a fifty (50) vote difference on any other ballot issue, then the Board may, at its sole discretion, order a recount.
- C. Election Forums for Members  
Arrange two (2) election forums for members to attend to hear the candidates answer questions arranged by the N&E Committee and questions from the members.
- D. Election Results
  1. The Chairperson shall notify the Board Secretary of the results of the election.
  2. The Committee Chairperson shall report the establishment of a quorum and the election results at the Annual Meeting. Successful candidates shall be announced in the order of the total votes received. The results of the ballot for any other matters shall be announced in the order in which the items appeared on the ballot.



## **SECTION 7 - INVESTMENTS COMMITTEE**

### **3.7.1 Membership**

To the extent possible, the Investments Committee (IC) shall consist of at least two GVR Members who should be knowledgeable in the investment of financial assets and, to the extent practical, experienced in investment management and/or investment oversight.

### **3.7.2 Responsibilities**

- A. The IC has the following specific responsibilities and duties with respect to the GVR Reserve and Operational Investment Accounts:
1. Make timely recommendations to the Board concerning:
    - a. The hiring, termination, and replacement of the Investment Manager and/or Investment Adviser (collectively, the IM/IA) for each of the accounts that comprise the Reserve and Operational Investment Accounts.
    - b. The terms and wording for any contract between GVR and an IM/IA.
    - c. The specific wording and specifications for the Investment Policy Statement (IPS) set forth in Appendix 1, Section 3 that governs each of the accounts that comprise the Reserve and Operational Investment Accounts.
  2. Perform the following ongoing functions:
    - a. Complete due diligence and evaluation of each IM/IA at the end of each quarter or more frequently, if desired/needed.
    - b. Monitor the IM/IAs to confirm compliance with the applicable IPS.
  3. Make timely reports, in accordance with the IPS, to the CFO, CEO, and the Board of the following:
    - a. A serious and meaningful violation of the IPS.
    - b. A potential replacement of an existing IM/IA.
    - c. Any update requested by the Board.
  4. Collaborate with the CEO/CFO concerning the following:
    - a. The invested Operational Funds regarding compliance with the applicable IPS and performance.
    - b. What information and analysis the CEO/CFO will provide to the IC for the purpose of enabling the IC to perform its duties.
    - c. The specific actions required by the CEO/CFO in order to bring an IM/IA back into compliance with its applicable IPS.
  5. In the process of completing its duties, the IC will generate the following documents:
    - a. An IPS for each of the accounts that comprise the

- Reserve and Operational Investment Accounts.
- b. An Investment Management Contract for each IM/IA hired by GVR as signed and implemented by the GVR Board President.
  - c. Minutes of each meeting of the IC.

# **PART 4: CHIEF EXECUTIVE OFFICER**

## **SECTION 1 - AUTHORITY OF THE CEO**

### **4.1.1 General**

- A. The CEO has overall responsibility for the planning and management of day-to-day operations of The Corporation.
- B. The CEO shall have decision-making authority and responsibility including, but not limited to, how policies and goals are attained; organization and control of resources; management of professional competence, and full control over operations, organizational behavior, subordinate managers and employees, human resource development, annual budget construction, execution of Board-approved budgets, and the implementation of action items within each program area.
- C. The CEO provides organizational leadership and support for the Board in achieving GVR's vision, completing its mission, and executing its Strategic Plan.
- D. The CEO serves as the community liaison and is responsible for enhancing the visibility of the organization locally, regionally and nationally.
- E. The CEO serves as the Public Information Officer (PIO) for GVR or provides designee.
- F. The CEO may delegate authority to staff, as appropriate.

### **4.1.2 Fiscal Authority**

- A. In order to conduct business activities consistent with the mission of GVR, financial stability and integrity must be maintained. The CEO shall:
  - 1. In conjunction with the Chief Financial Officer (CFO), develop the annual budget for Board approval which ensures maintenance of facilities, availability of member programs, and operation of The Corporation in accordance with the Strategic Plan.
  - 2. Manage expenditures within the approved budget without incurring indebtedness.
  - 3. Develop and maintain sound financial practices.
  - 4. Oversee the fiscal management of GVR, including authority to approve financial matters, implement fiscal controls, execute reoccurring operational contracts and leases, fund expenditure approvals, and maintain accurate accounts of every financial transaction of GVR.
  - 5. Set rental rates for not-for-profit organizations not affiliated with GVR.
  - 6. Seek approval of all expense reports of the CEO by the Board Treasurer.

### **4.1.3 Programmatic Authority**

- A. The CEO has the authority to act in accordance with the mission and stated purpose of GVR. The CEO shall:
  - 1. Protect the non-profit status of GVR.
  - 2. Provide a safe environment for members of GVR.
  - 3. Structure the organization to continually improve operations and make changes as necessary to the organizational structure.
  - 4. Develop policies for disseminating information to the membership and general public.
  - 5. Participate in development and maintenance of short- and long-range strategies.
  - 6. Review proposed GVR projects and programs.

## **SECTION 2 - RESPONSIBILITIES**

### **4.2.1 Board Relationship**

- A. The CEO shall:
  - 1. Participate with the Board President in developing agendas for meetings, and provide appropriate information so that the Board may make informed decisions.
  - 2. Keep the Board fully informed on the condition of the organization.
  - 3. Inform and support all Directors so that they may contribute to the Board effectively.
  - 4. Work with the President and Committee Chairs to ensure that Board Committees function effectively.
  - 5. Assist the Board in better understanding corporate policies and recommend policy changes to the Board, as necessary.
  - 6. Work cooperatively with the President, and be responsible and accountable to the Board.

### **4.2.2 Human Resources**

- A. The CEO directs the Human Resources (HR) of the organization. It is critical that HR is organized to perform at an optimum level for The Corporation, through both paid and volunteer staff. The CEO shall:
  - 1. Serve as Equal Employment Opportunity and Diversity Officer.
  - 2. Develop compensation packages that are competitive within Pima County and Southern Arizona.
  - 3. Ensure that there is an effective management team, support staff, and volunteer system in place. Effectively manage HR according to authorized personnel policies and procedures that fully conform to current laws (federal and state), regulations and corporate policy.
  - 4. Ensure the development and implementation of personnel training programs that enhance HR and ensure qualified employees and volunteers.
  - 5. Maintain a climate that attracts, retains, and motivates top quality people – both paid staff and volunteers.

### **4.2.3 Other Responsibilities**

- A. The CEO shall:
1. Monitor and ensure compliance with federal and state laws, Pima County regulations and ordinances, and GVR's Articles of Incorporation, Bylaws, CPM, and any other related or similar documents.
  2. Be responsible for the organization's achievement of its Vision, Mission, and Strategic Plan.
  3. Administer and implement all corporate policies.
  4. Develop a public awareness program to promote GVR.
  5. Assure the organization and its Mission, programs, products and services are consistently presented in a strong, positive image to members.
  6. Be responsible for setting hours of operation for facilities, and for publicizing those hours by various GVR and non-member groups.
  7. Be authorized to deny facility access to any group or to cancel any event, even if in progress.
  8. Authorize the voluntary dissolution of GVR Clubs.
  9. Perform other duties as prescribed by the Board.

## **SECTION 3 - CEO REVIEW**

### **4.3.1 CEO Annual Review**

The Board shall evaluate the CEO annually according to the terms of the CEO hiring contract.

# PART 5: FISCAL/ACCOUNTING

## SECTION 1 - FISCAL POLICY

### 5.1.1 Definitions

#### A. **Contributed Capital Assets:**

1. Contributed property is to be recorded at estimated fair market value on the date of the transfer.
2. Fair market value can be determined by current or recent appraisal or the donor's cost may be used if recently incurred.
3. Contributed property will be recorded as a contributed capital asset and will be subject to Generally Accepted Accounting Principles (GAAP).

#### B. **Capital Assets:**

Capital assets shall have a value of at least \$5,000 and a useful life expectancy of more than one year.

#### C. **Operating:**

Operating is defined as everyday business, activities and regular maintenance of facilities.

#### D. **Capital Projects:**

1. Those projects whose costs exceeds \$5,000.
2. Capital Replacement: A replacement is defined as anything that has to be replaced including major refurbishments such as the floor, the walls, the roof, the doors, etc., down to the fixture replacement.
3. Capital Addition: An addition is anything that is added on to the square footage and/or adds to the value of the property.

#### E. **Depreciation:**

Depreciation is defined as a decline (as from age or wear and tear) in the value of a capital asset.

### 5.1.2 Accounting

The Board shall ensure that the fiscal affairs of The Corporation are managed in accordance with GAAP, and that its financial strength is adequate for current needs and its long-range strategies.

### 5.1.3 Purchasing

The selection of, and contracting with, vendors for supplies and services is the responsibility of the CEO in accordance with the financial limits established by the Board.

### 5.1.4 Investment Policy

GVR Investment Policy is located in Appendix 1 Section 3.

### 5.1.5 Financing

- A. Requests for approval to finance major capital projects will require the affirmative vote of two-thirds (2/3) of the total

Directors then in office. Such requests may be submitted by any Director or the FAC.

- B. The maximum corporate debt at any one time shall not exceed sixty percent (60%) of the approved current annual budget, which shall include both the operating and capital budgets.
- C. If capital projects are financed, the sum of annual repayments for all financed projects shall be ten percent (10%) of the approved current annual budget, which shall include both the operating and capital budgets.

#### **5.1.6 Revolving Line of Credit**

- A. A revolving line of credit in the amount of four hundred thousand dollars (\$400,000) may be established by the CFO.
- B. Any usage of the revolving line of credit by the CFO must have prior approval by the CEO, the FAC and the Board.
- C. The CFO shall institute a usage form stating the amount to be used, the purpose/reason for the usage, the balance of the revolving line of credit, including the amount currently being requested for use and the estimated payback period to bring the balance back to its original amount of four hundred thousand dollars (\$400,000). This usage form will show the approval signatures of the CEO, Board Treasurer and President.

## **SECTION 2 – OPERATING CASH POLICY**

### **5.2.1 Overview**

GVR maintains two operating cash accounts to ensure access to working capital needed to fund the day-to-day operations of GVR. This includes Board-approved transfers to reserve funds as described in Part 5 Section 3. The following information describes the purpose, methodology to determine level of cash needed during the year, and monitoring responsibility for these cash funds.

### **5.2.2 Purpose**

- A. To be fiscally responsible and implement best practices related to cash management, the Cash Management Policy must:
  - 1. Allow for easy accessibility of funds to meet the working capital needs of GVR.
  - 2. Recognize the seasonality of the income flow.
  - 3. Be consistent with the Investment Policy established for that account.

### **5.2.3 Description of Cash Accounts**

- A. **Operating Cash Bank Account**
  - 1. Consists of all deposits at a local bank, including, but not limited to annual membership dues, Membership Change Fee, Tenant Fees, and program revenue.
  - 2. All checks are written on this account for operating expenses.
  - 3. Withdrawals are also done for the transfer of Board-

approved amounts to each Reserve Fund as described in Part 5 Section 3.

**B. Operating Cash Investment Account**

1. This is the holding account maintained by the Investment Manager that is selected and approved by the Board. These funds are invested pursuant to the Investment Policy in Appendix 1 Section 3.
2. Staff is authorized to transfer funds between this account and the operating cash bank to meet daily expenses as necessary.
3. Due to fluctuations in cash needs this account may be 'rebalanced' periodically to allow excess cash to be moved to an appropriate reserve account.

**5.2.4 Operating Cash Policy**

**A. Methodology for Determining Level of Total Cash Required:**

1. GVR's approved operating budget requires following the steps as described below in determining the annual cash needs of the organization.

**Chart 1 - Total Annual Cash Required to Fund GVR for Fiscal Year**

<b>Steps</b>	<b>Description</b>	<b>Example (Cy 2021)</b>
1.	Use the Total Expense Budget approved by the Board	\$11,196,453
2.	Subtract Non-Cash Depreciation	(1,810,173)
3.	Subtract Expenses paid by Maintenance, Repair and Reserve (MRR-A)	(259,034)
4.	Add Non-Reserve Capital Purchases	205,000
5.	Subtract Reserve Fund Investment Fees	(82,792)
6.	Add back the Reserve funding revenues approved to be transferred to respective Reserve Accounts	
	a. Maintenance Repair and Replacement (Part A)	1,048,192
	b. Maintenance Repair and Replacement (Part B)	169,553
	c. Initiatives Reserve	507,315
7.	<b>Total Annual Cash Required to Fund GVR for the Fiscal Year</b>	<b>\$10,974,514</b>

**B. Determination of Number of Days of Average Cash on Hand Required:**

1. GVR follows the best practices guideline that recommends a minimum cash balance, at the lowest point during the year, of 90 days of the annual expenses ("90-Day Guideline").
  - a. Prior to calculating the 90-Day Guideline, GVR will subtract the one-time annual revenue transfer made to the MRR-A Reserve Fund in January of each year.



This allows GVR to maximize investment returns to the MRR-A fund.

- b. The required cash will be divided by 365 days to determine the Average Daily Cash Required. This amount will be multiplied by 90 days to determine the 90-Day Guideline.
- c. This calculation will be made after the Board's approval of the budget for the following year.

<b>Chart 2 – Total Cash Required to Fund GVR for 90 Days</b>		
<b>Steps</b>	<b>Description</b>	<b>Example (Cy 2021)</b>
1.	Use Total Cash Required for fiscal year from Step 7 in Chart 1	\$10,974,514
2.	Subtract cash transfer to MRR Part A, in January	(1,048,192)
3.	Add Step 1 and 2 for Total Cash Required	9,926,322
4.	Days per Year	365
5.	<b>Divide to get the Daily Average Cash Required</b>	<b>27,195</b>
6.	Multiply by 90 days as best practice minimum days	90
7.	<b>Total Cash Required to fund GVR for 90 Days</b>	<b>\$2,447,586</b>

**C. Description and On-Going Monitoring of Cash Cycle:**

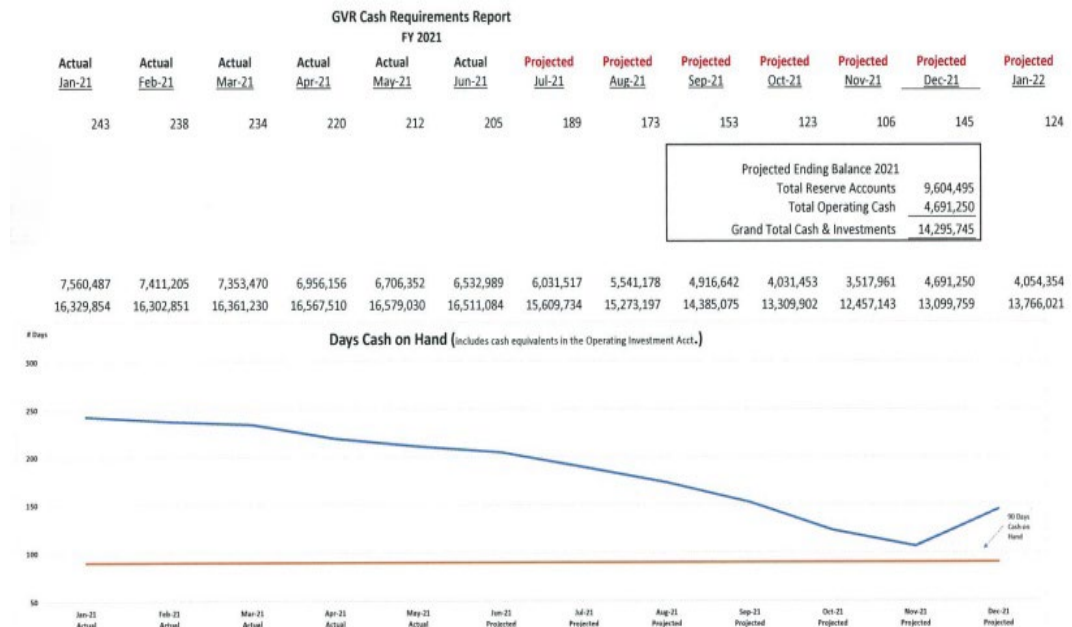
- 1. GVR receives the majority of its revenues from member dues in December/January of each year with other revenue streams budgeted on a monthly basis. Some expenses are budgeted on an equal monthly basis; however, those that are seasonal, such as member activities and facility maintenance expenses are budgeted as close to expected timing of expense. As actual expenses are reported each month and reflected in the monthly financial statements, staff may adjust the projected expense for the remaining months to account for any timing issues related to the actual expenses. Because of this seasonality of the collection of revenues and projected monthly expenses, the chart below reflects the uneven nature of cash balances at the end of each month. The cash balances are gradually spent down each month with the 90-Day Guideline projected in November of each year. GVR also subtracts the amount of the Membership Change Fee that has been paid to property owners. The Auditors require this item be recorded in this manner.
- 2. Staff will monitor these cash balances as part of its monthly financial report. As actual expenses and revenues are recorded, the projected cash balances may fluctuate resulting in a change in the end-of-month cash-on-hand beyond the 90-Day Guideline. If, after analysis and

projections of the cash needs for the remaining months of the calendar year, this variance is determined to be excess of cash needed, the Board may review options to transfer this excess to other Reserve Accounts.

### Chart 3 – Projecting Operating Cash Above the 90-Day Minimum

Steps	Description	Example (Cy 2021)
1.	Use Cash Balance Projected for November (from Monthly Chart of Cash Flow with Projections for Remaining Months)	3,517,961
2.	Subtract Membership Change Fee Allowance	(312,340)
3.	Total Net Cash Available for Operating funds	3,205,621
4.	<b>Divide by Daily Average Cash Required – Chart 2, Step 5</b>	<b>27,195</b>
5.	Number of Days of Operating Cash Available	118
6.	Total Net Cash Available for Operating funds (step 3 above)	3,205,621
7.	<b>Take Minimum 90-Day Cash Minimum from Chart 2, Step 7</b>	<b>(2,447,586)</b>
8.	Projected Operating Cash Above the Minimum available for possible distribution to other Reserve Accounts	758,035

### Monthly Chart of Cash Flow with Projections for Remaining Months



## SECTION 3 - RESERVE POLICY

### 5.3.1 Overview

GVR maintains three (3) financial reserve funds that are Board-designated to ensure its long-term solvency and sustainability as part of The Corporation's Financial Planning Principles. For each reserve fund, the following information describes the purpose, desired target range, funding source, authorization and investment parameters. In executing its oversight role, the GVR Board may elect to revise these factors over time, as needs of The Corporation evolve and as opportunities and investment markets may suggest.

### 5.3.2 Maintenance of GVR Financial Reserve System

#### A. Definitions:

1. Defined terms are capitalized in Bold typeface.
  - a. **Annual Reserve Study** is the Reserve Study referred to in Appendix 1 Section 7: 1.7.3. This Reserve Study is used to determine the required funding for the MRR-A reserve account.
  - b. A **reserve account(s)** is a checking, savings, investment or any other type of account in which reserve monies are deposited.

#### B. Reserve Contributions and the Annual Budget

1. Reserve Contributions to the Reserve Accounts shall be an integral part of the annual budget.
2. The annual operating budget shall generate sufficient Excess Revenue-Over-Expenses to make the Reserve Contribution to the Maintenance, Repair and Replacement Fund (MRR-A) called for in the Annual Reserve Study.
3. Contributions to the MRR-B fund shall be, if any, recommended by the CEO to the FAC for consideration and approval then forwarded to the Board for approval.
4. Reserve Contributions to the Initiatives Reserve Fund shall be funded from a portion of the Membership Change Fee and/or from the Initial Fee based on the applicable fee when a GVR member property is sold.
5. Contributions to the Emergency Reserve Fund shall be recommended by the CFO to the Board for consideration and approval.

#### C. Calculation of Operating Surplus or Deficit

1. At the end of the fiscal year, the Board shall determine the amount, if any, to contribute from operational surpluses. Operating surplus or deficit is calculated as follows:
  - a. Begin with the Change in Net Assets from the Audited Financial Statements.
  - b. Deduct unrealized gain/losses on operating accounts.
  - c. Deduct net investment income on Reserve Accounts / investments and unrealized gains/losses.
  - d. Add depreciation expense.

- e. Deduct current-year purchases of Capital Assets from operations (cost basis, before accumulated depreciation).
  - f. Add expenses that were paid using reserve cash (i.e., repairs and maintenance expenses paid for using MRR funds).
  - g. Deduct required funding cash transfers to reserve funds during the year (i.e., required MRR funding).
  - h. Add or deduct any other non-cash items (i.e., in-kind capital donations).
2. The intent of the calculation is to determine if there is a surplus of operating revenue over operating expenses each year that can be transferred to a reserve fund. The calculation is to remove non-cash items such as depreciation and unrealized gains/losses. Additionally, adjustments are to be made to take into consideration operating cash used for Capital Asset purchases. Reserve fund cash used to pay for Capital Asset purchases and operating expenses should not be included in the operating cash surplus.

**D. Paying from Reserve Accounts or Reimbursing Operating Cash Account for Reserve Expenditures**

Within sixty (60) days after adoption of this policy by the Board, GVR shall establish a written accounting and internal control policy and procedure based on GAAP to track and document all withdrawals by check or electronic means and Board-approved transfers, electronic or otherwise, between Reserve Funds, pay Board-authorized reserve expenditures or transfers to reimburse operating cash for such expenditures. Such policy and procedure shall require written instructions and supporting documentation signed by the CFO and approved by the CEO or, in the CEO's absence, the CEO's designee.

**E. Priority of Making Contributions to Reserve Accounts**

- 1. GVR shall make contributions to Reserve Accounts in this order of priority:
  - a. Maintenance, Repair and Replacement Reserve Fund (Part A and Part B)
  - b. Initiatives Reserve Fund
  - c. Emergency Reserve Fund.

**F. Rebalancing Reserve Accounts**

- 1. A Reserve Account(s) may have a balance greater than the Board's target minimum balance due to a number of factors including returns on investments. The Board may consider rebalancing a Reserve Account(s) by:
  - a. Transferring money between Reserve Accounts,
  - b. Reducing Reserve Contributions, or
  - c. Transferring money from a Reserve Account(s) to operating cash.
- 2. All rebalancing actions shall be authorized by Board resolution(s).

### 5.3.3 Maintenance, Repair & Replacement Reserve Fund (MRR-A)

- A. **Purpose:**  
This fund shall be used only to maintain, repair or replace existing equipment and facilities as listed in the Component List of the Annual Reserve Study.
- B. **Target Balance:**  
This reserve shall maintain a sufficient balance based on Annual Reserve Contributions calculated within the Annual Reserve Study.
- C. **Funding Source:**
1. Annually, GVR shall transfer the full year's Annual Reserve Contribution as determined by the Annual Reserve Study for the current fiscal year from operations to this reserve within 30 days of the end of the dues collection period (normally January 31, so the full MRR funding should be transferred by the end of February).
  2. Reimbursement Policy:
    - a. Projects paid directly from MRR – no reimbursement necessary.
    - b. Projects paid from the Operating Reserve – Quarterly (or monthly if necessary), after review by the FAC and approval of the Board, the MRR Reserve Fund will reimburse Operating Cash Account the full project cost of completed MRR projects. Evidence of required reimbursement will include a brief description of the project, timeframe of projected replacement, actual project completed date, forecasted cost and actual cost. If actual cost is substantially different from forecasted cost, a detailed justification will be provided.
- D. **Authorization:**  
The CEO and, in the absence of the CEO, the CEO's designee or CFO are authorized to commit up to 110% of a Component's Fully Funded Balance for the current fiscal year in the current Annual Reserve Study. Board approval is required before committing more than 110%.
- E. **Investment Parameters:**  
Monies contributed to this reserve shall be invested in accordance with GVR's IPS. (*Appendix 1 Section 3*)

### 5.3.4 Maintenance, Repair and Replacement Fund (MRR-B)

- A. **Purpose:**  
The fund shall be used to fund the replacement of pools and spas.
- B. **Target Balance:**  
This component of the MRR shall be of sufficient size as determined by the Board to fund replacements of GVR pools and spas. The targeted balance shall be based on GVR's staff estimate of the useful life of the pool and spas and a reasonable timetable for replacement of such items.

- C. **Funding Source:**  
The Board may make contributions to MRR-B from the annual net surplus or budget a specific amount of funds of the annual budget process.
- D. **Authorization:**  
The Board shall authorize any monies spent from this fund.
- E. **Investment Parameters:**  
Monies contributed to MRR-B shall be invested in accordance with GVR's IPS. (*Appendix 1 Section 3*)

### 5.3.5 Initiatives Reserve Fund

- A. **Purpose:**  
The fund shall be used to support new initiatives that contribute to meeting GVR Ends.
- B. **Target Balance:**  
This fund reserve shall be of sufficient size as determined by the Board to make value-added investments in real property, facilities and infrastructure.
- C. **Funding Source:**
  - 1. Within 10 business days after the end of each month, GVR shall transfer the following to the Initiatives Reserve Fund based on the applicable fee ("Initiatives Reserve Funding Formula"):
    - a. Twenty percent (20%) of the Membership Change Fee assessed on each GVR Member property sold rounded up to the next \$5.00, and
    - b. Twenty-five percent (25%) of the Initial Fee assessed on each GVR Member property sold rounded up to the next \$5.00. At its discretion, the Board may make an additional Initiatives Reserve contribution from the annual net surplus.
- D. **Authorization:**  
The Board shall authorize any monies spent from this fund.
- E. **Investment Parameters:**  
Monies contributed to this fund shall be invested in accordance with GVR's IPS.

### 5.3.6 Emergency Reserve Fund

- A. **Definitions:**  
**Major Event(s)** is an event causing damage to a facility and/or infrastructure or an emergency safety event costing \$25,000 or more in repairs, renovations or replacements.
- B. **Purpose:**
  - 1. The Emergency Reserve Fund serves these purposes:
    - a. An emergency fund to pay for major, unanticipated repairs to, renovation of or replacement of a GVR facility or facilities or infrastructure caused by a **Major Event or Events**.
    - b. An emergency safety-net should a severe economic downturn or unanticipated event threaten GVR's

financial well-being.

C. **Target Balance:**

1. This fund shall be of sufficient size as determined by the Board to protect GVR from the following:
  - a. Long-term or permanent loss of use of a GVR facility or facilities or infrastructure caused by a **Major Event** or **Events** due to GVR's inability to pay for repairs, renovations or replacement of damaged facility or facilities or infrastructure.
  - b. Guarantee payment of the legal obligations of The Corporation for one year.

D. **Authorization:**

The CEO is authorized to access this fund to address critical needs as they arise with written notification within ten (10) business days to the Board President with a copy to the Board. Email is an acceptable form of written communication to the President.

E. **Withdrawals:**

Withdrawals from this reserve shall be repaid from operations as determined by the Board but not to exceed five (5) fiscal years.

F. **Investment Parameters:**

Monies contributed to this fund shall be invested in accordance with GVR's IPS. (*Appendix 1 Section 3*)

## SECTION 4 – PROCUREMENT POLICY

### 5.4.1 Overview

The purpose of this policy is to set out the requirements and guidelines for procuring goods and services for GVR on behalf of the Corporation to ensure GVR receives value for the money spent. This policy establishes the approved parameters to be used for all contracts, purchases, leases, orders of goods, supplies, construction, professional services, and other contractual services. These requirements are based on the principles of accountability, transparency, openness, fairness, integrity, and ensuring value. This policy is consistent with CPM 5.1.3, as to setting financial limits established by the Board.

The policy applies to all staff/employees of GVR who have responsibility for procuring goods and services. The CEO and CFO are authorized to develop internal operational procedures to further implement this policy for the applicable departments, directors, managers and staff to follow.

A. **Definitions:**

1. **Request for Proposals (RFP):**

An RFP is a "competitive negotiations method" of soliciting proposals. This method is used when the end-product is unique, the customer knows what they want, but the methods and specifications aren't readily available. Thus, price isn't the only deciding factor. Quality and experience will be heavily weighed.

2. **Bid:**

An Invitation to Bid provides standardized information to all bidders. This is achieved through the use of sealed bidding procedures. Contractors will submit their price in sealed envelopes. The contract will generally be awarded to the lowest bidder.

3. **Quote:**  
A quote is a figure generally obtained from a supplier for the price of materials needed for a job. Quotes are often only good for a certain period of time.
4. **Sole Source:**  
A Sole Source purchase means that only one supplier, to the best of the requester's knowledge and belief, based upon thorough research, is capable of providing the required product or service, during the necessary time period.

#### **5.4.2 Bidding and Disbursement Process**

All Department managers and staff are responsible for ensuring that goods and services are procured for good value, and that a fair procurement process is used to select vendors. The CEO and CFO have the overall responsibility for the administrative procurement process, overseen by the Board as set forth herein. Artificial division, splitting, or fragmentation of a transaction/purchase order to circumvent requirements of source selection or bidding is prohibited.

Internal operational procedures may include processes relating to purchasing recurring items and executing recurring operational contracts. This policy shall serve as the Board's resolution under Article VII, Section 4.A of the Bylaws, exempting such recurring contracts from certain bidding requirements, and not requiring signature by the President.

The procurement levels in the policy below do not relieve staff of the responsibility to ensure that they comply with the Board-approved budgetary limits. The CEO retains the authority under CPM 4.1.2.A.2 and under the CPM Appendix 1 - Budget Development Policy 1.1.3.C and D to manage expenditures within the approved budget without incurring indebtedness, but with the ability to shift amounts between line items to meet current or anticipated needs (subject to reporting to the Board any increase or decrease by more than 15% or \$15,000.00, whichever is greater).

The Board-authorized bidding and purchase approval requirements, as well as signing authority for all purchases is outlined in the chart below, except as shown below in 5.4.3:



AMOUNT OF PURCHASE	BIDDING REQUIREMENT	PURCHASE APPROVAL/SIGNATURE
<b>Under \$10,000</b>	None Required.	Authorized Department Director or Manager/Supervisor
<b>\$10,000 to \$99,999</b>	Quotes/Bids required. No posting on GVR website required. Scope of Work developed by staff and sent to vendors with the goal of receiving at least 3 responses.	CEO or CFO Approves.  CEO Signs Contract.
<b>\$100,000+</b>	Sealed Bidding Process. Open to all vendors that choose to submit a response to an Invitation to Bid or an RFP developed by staff. Invitation to Bid/RFP is posted on GVR Website and other relevant websites. Staff and CEO review submittals and make recommendations. All bids/proposals received are posted on the Board-secured website.	Board Approves.  President Signs Contract.

### 5.4.3

#### Exceptions to Bidding and/or Approval Process

- A. **Recurring monthly and annual bills**, e.g., property taxes, employee health, routine maintenance, and life insurance, etc., are exempt from the purchase order and bidding requirement. The CFO or the CEO may approve these regularly occurring bills and contracts. Board approval is not required unless over \$100,000.00. Recurring operational contracts giving rise to these types of expenditures do not require signature by the President (i.e., the first two categories in the 5.4.2 chart).
- B. **Maintenance, Repair and Replacement Funds:**
1. **(MRR-A)** CPM 5.3.3 (Fund for maintenance, repair, replacement of existing equipment and facilities in Component List of Annual Reserve Study) The CEO or CFO approve any purchases and contracts, and the CEO signs, for any amounts, consistent with 5.3.3.D, authorizing spending up to 110% of a Component's Fully Funded Balance for the current fiscal year in the current Annual Reserve Study. Board approval is required only for more than 110%. The bidding process will follow columns 1 and 2 in the 5.4.2 chart.
  2. **(MRR-B)** CPM 5.3.4 (Fund for replacement of pools and spas) All expenditures of money from this fund and therefore, all contracts/purchases, must be approved by the Board, and the President shall sign contracts. The bidding process will follow columns 1 and 2 in the 5.4.2

chart.

C. **Initiatives Reserve Fund**

CPM 5.3.5 All expenditures of money from this fund and therefore, all contracts/purchases, must be approved by the Board, and the President shall sign contracts. The bidding process will follow columns 1 and 2 in the 5.4.2 chart.

**5.4.4 Requirement for Obtaining Bids Waived**

- A. **Sole Source:** \$100,000 or greater when approved by the Board.
- B. **Emergency procurement/repair** of any amount, whether budgeted or unbudgeted, if approved by the CEO (or CFO or other senior management in the CFO's absence). The CEO may use funds from the Emergency Reserve Fund for emergencies over \$25,000 (*CPM 5.3.6.D*).

**5.4.5 Lease or Rental Agreement**

The CFO and CEO must approve any lease or rental agreement exceeding six (6) months in duration and with an aggregate annual payment exceeding \$5,000.00. The Board must approve all such agreements that exceed \$100,000, or one year in length.

**5.4.6 Vendor Relationships**

Gifts exceeding \$50.00 in value, from a vendor or prospective vendor of goods and services for the Corporation, given to any employee(s) are strictly prohibited.

# **PART 6: GVR PROGRAMS AND CLUBS**

## **SECTION 1 - GVR PROGRAMS**

### **6.1.1 Objective**

The objective is to provide recreation, social, and leisure education opportunities that enhance the quality of our members' lives.

### **6.1.2 Acceptance of Grant Funding**

GVR is permitted, by policy, to solicit grant funding to subsidize operational expenses related to special events and cultural programs. It is acknowledged that accepting grants from publicly supported funding agencies may dictate that these programs be open to the public. The fact that grant monies may have been received shall not interfere with GVR's ability to provide advertised services to its members, as prescribed by governing directives. GVR shall retain final approval of specific programs supported by grants.

### **6.1.3 GVR Activities Open to the General Public**

- A. Activities available to non-members, for a fee, e.g., concerts, plays, and classes.
- B. Activities which are funded or partially funded by public agencies, e.g., U. S. Service Bands, Senior Olympics, Arizona Commission on the Arts programs.
- C. Special events approved by the CEO, e.g., Craft Fairs, Town Halls.
- D. Any group renting a GVR facility may invite the general public.

### **6.1.4 General Public Ticket Surcharges**

A surcharge shall be added to tickets for GVR public events sold to non-GVR members which may be waived by the CEO if there is a co-sponsor.

### **6.1.5 GVR as Ticket Outlet for Non-GVR Sponsored Programs**

- A. GVR may act as a ticket outlet for organizations located outside Green Valley and community organizations within Green Valley.
- B. Tickets shall be sold to both GVR and non-GVR members and ticket prices must include a discount for GVR Members.

## **SECTION 2 - GVR CLUBS**

### **6.2.1 Organization**

- A. Any group with thirty-five (35) or more GVR Members, interested in pursuing a particular field of interest, consistent with the mission of GVR, may join together and form a GVR Club, as long as a similar club doesn't already exist within GVR.
- B. All members of a group requesting "Club Status" must be members of GVR.
- C. The group may formally request that the Board grant them GVR "Club Status," which entitles the group to a scheduling priority for reserving GVR facilities on an annual basis.

- D. A club application, available online and at the Administrative Offices, must be submitted to the GVR Club Liaison.
- E. The Club Liaison shall review the completed application and submit a written recommendation to the CEO or designee.
- F. When the CEO or designee approves the prospective club for recommendation to the Board, representatives from the club shall be invited to attend the next meeting of the Board to speak on behalf of the club.
- G. If the Board approves the request for club status, the Club Liaison will notify the Club President.
- H. If a prospective club request is denied the CEO shall notify the Club Representative in writing.
- I. The newly established club will operate independently of GVR but will be required to follow all rules and guidelines set forth by the Board.
- J. The Club Liaison will retain a club file in his/her office.

### **6.2.2 Membership/Guests/Monitoring**

- A. Club membership shall be open to all GVR Members and they shall be entitled to participate in any meeting or activity. Clubs may not grant honorary membership, or their equivalent, to anyone who is not a GVR Member. Any GVR Member who is refused admission to a club shall notify the Club Liaison at once. All Club Officers shall be club members.
- B. Clubs may establish prerequisites for joining their activity such as training or an orientation.
- C. Clubs that fail to maintain at least twenty-five (25) active members jeopardize their "Club Status." If a club's membership falls below 25, the Club Liaison will contact the Club President and offer suggestions on ways to increase membership. If efforts to increase membership are not successful, the Club Liaison will advise the CEO. If necessary, the CEO shall make a recommendation to the Board as to whether Club Status should be revoked.
- D. If it is determined by the Club Liaison that there is a fifty-percent (50%) or more crossover in activities and/or interests in two or more clubs of the same type, those clubs may be consolidated.
- E. Clubs may not affiliate with any national, state, or regional organization that requires GVR members to join its external organization. Optional membership in such organizations is allowed.
- F. Clubs may grant guest privileges, at their discretion, to guests of GVR Members and, if authorized by the Board, other non-GVR members upon payment of a guest fee to GVR.
- G. GVR Clubs shall establish an effective monitoring system to ensure that only GVR Members and eligible guests attend meetings and activities of the club.
- H. GVR Clubs that present performances to the membership and general public will be permitted to use non-GVR individuals in performing or production roles under the following circumstances:

1. Club members with the necessary qualifications are not available.
  2. Approval must be obtained from the GVR Club Liaison on a case-by-case basis.
  3. Each non-GVR individual must sign an agreement acknowledging that he/she will not be covered by GVR Corporate Worker's Compensation nor listed as an additional insured in any GVR commercial insurance policy.
  4. The agreement will note the terms and conditions of their involvement in the production and will not last beyond the specified performance(s).
  5. Should the individual be a minor, then the parent/guardian must sign the agreement on his/her behalf.
  6. GVR will permit student participation in a production with the acknowledgment and sponsorship of the student's school administration.
- I. GVR teams participating in competitive events must be comprised solely of GVR Members.
  - J. The non-GVR guest policy for competition or participation in clubs is as follows:
    1. GVR Clubs may host competitive events and allow non-GVR members or guests to participate. The club must notify GVR's Club Liaison prior to the scheduled event. Documentation outlining the nature of the competition(s) will be required for each event. Non-GVR members or guests are only authorized to use GVR facilities associated with the event, including warm-ups/practice time.
    2. League play may occur if there is a reciprocal agreement to play at each other's facilities.
    3. Outside of league play, Clubs may grant participation to guests at their discretion, as long as those individuals are eligible guests as defined in Part 1 Section 2: 1.2.2.
  - K. Non-GVR Member Club Participant Policy:
    1. Clubs listed as Social or Dance Clubs on GVR's website may allow non-GVR members to attend their events.
    2. Non-members must sign a waiver.
    3. Non-members will pay an event fee of no more than one half of the daily guest fee approved by the Board. Staff will work with the Clubs to establish the event fee if requested.
    4. Clubs will remit fee and record of attendance to GVR Club Liaison.

### **6.2.3 Insurance**

- A. GVR maintains general liability insurance for all of its facilities.
- B. GVR's Directors and Officers (D&O) insurance does not cover Clubs' Directors and Officers. Clubs desiring this coverage need to contact a commercial insurance broker and if purchased, a copy of the binder shall be provided to the GVR Club Liaison.
- C. When a club holds an Arts and Crafts Fair, festival, or any large event open to the general public, commercial vendors must list

GVR as an Additional Insured when completing the application for the Special Events Liability insurance policy.

- D. GVR is responsible for insurance coverage and personal property taxes on GVR-owned property only. It shall be the responsibility of each club to obtain necessary insurance on any equipment not owned by GVR, but located on GVR property, e.g., music instruments, computers, radios.

#### **6.2.4 Financial and Tax Requirements**

- A. GVR Clubs shall operate under a non-profit status consistent with IRS Tax Code 501(c)(4).
- B. Each club must obtain an IRS Employer Identification Number (EIN) and provide that number to the Club Liaison.
- C. GVR Clubs are responsible for any local, state, or federal taxes incurred as a result of club activities.
- D. Clubs shall maintain a simple bookkeeping system, recording all income, source(s) of income, and expenditures. Clubs shall submit a financial report to GVR's CFO by February 1 of each year.
- E. All GVR Clubs shall file appropriate tax documents and provide a copy to the GVR Club Liaison.

#### **6.2.5 Sales Tax**

- A. Because of GVR's 501(c)(4) non-profit status, hobby shops must collect sales tax on items sold from their studios, including supplies purchased by club members.
- B. If a club intends to routinely sell items or be a retail market, a Business License must be obtained and sales tax must be applied to all transactions. Clubs who do not obtain a Business License may not display "for sale" items in GVR display cases.
- C. Clubs that engage in retail sales are required to comply with all state and federal regulations, including the filing of required tax documents.
- D. Clubs may display "for donation" items in a GVR window or display case. Clubs may not set a firm donation amount, but may post a "suggested donation" sign.
- E. When a club displays items with only a contact name and telephone number, sales must be conducted off GVR property. A club member's transaction outside GVR facilities is a personal tax liability of the member and not the responsibility of the Club or GVR Corporation.
- F. Sales tax is not applicable to services (such as glazing or firing), but the payment for the service must be reported as income on the club's year-end financial report to both state and federal agencies.
- G. If a club purchases a product(s) from a vendor for resale to its members, the club will need to obtain a Business License from Pima County. Once that is completed and the club places an order for a product(s) from a vendor, they will file a 5000A (Arizona Resale Certificate) with that vendor and will not pay any state sales tax for the products. When the club sells that product(s) to

its members, the club member will be charged the appropriate sales tax at that time. The club must then register with the Arizona Department of Revenue and file monthly or quarterly reports as required.

- H. It is the responsibility of each individual artist to secure an Arizona Transaction Privilege Tax License to sell products.

### **6.2.6 Facilities**

- A. Requests for dedicated space shall be evaluated on a case-by-case basis. The cost of any modification or expansion of facilities may be shared if mutually agreed upon. Any such expansion or modification shall become the property of GVR.
- B. Clubs that don't routinely utilize at least 50% of their dedicated space may be reassigned to a more appropriately sized facility.
- C. Clubs with dedicated space are required to use their dedicated space for meetings and events. Exceptions will be made for special events that cannot be accommodated in a club dedicated space.
- D. GVR CEO has the authority to make exceptions and changes to the Reservations Policy as needed to accommodate special circumstances.
- E. Reservation requests are subject to review on an annual basis. The availability of facilities is not guaranteed each year. Reservations are based on the number of requests for available space.

### **6.2.7 Clubs and Class Offerings**

- A. Clubs are welcomed to provide instructional classes for club members and/or all GVR Members. Due to Internal Revenue Guidelines for Independent Contractors working with or through GVR, Workers Compensation and General Liability issues, GVR has the following policies:
  - 1. All club classes must be offered through GVR's Instructional Class Program. Clubs must contact the Recreation Services Director for complete procedure information, submit a class proposal, and/or be informed of exceptions to this policy.
  - 2. Instructors will be required to complete a W-9 and/or other necessary documents prior to their start date.
  - 3. GVR may require instructors of high-risk classes, e.g., tennis, pickleball, swimming, to obtain an additional one-million-dollar liability policy.
  - 4. The class fee is split between GVR and the Class Instructor.
  - 5. GVR will work with individual clubs to schedule and promote their classes. GVR can also provide administrative support, when needed, e.g., contacting registrants, distributing supply lists, providing class lists.
  - 6. All clubs must be in compliance with these policies. If a club holds a class in a GVR facility without going through the proper channels, they are in direct competition with the

GVR Instructional Class Program. Such an action can lead to club suspension and/or GVR membership suspension.

7. Classes or workshops that are offered free of charge to club members (or to all GVR Members), may not be subject to these guidelines. We encourage the Club Representative to contact the GVR Recreation Program Coordinator to review the specific requirements under those circumstances.

### **6.2.8 Club Reporting and Records Management**

- A. All GVR Clubs are required to sign and submit an Annual Club Agreement which outlines the club's responsibilities to GVR and what they can expect from GVR in return. If a club refuses to sign or does not fulfill their requirements, GVR may require the club to meet with the CEO or designee.
- B. All clubs shall maintain a continuity of records and shall preserve all correspondence and minutes for a period of no less than three years. Club records are kept for the prescribed period of time in accordance with administrative policies for record retention.

### **6.2.9 Club Bylaws**

Club Bylaws are the governing documents for the club. It is important that they be kept up-to-date and current with the club's activity. Club Bylaws shall be resubmitted to GVR no less than every five years, or earlier if amended.

### **6.2.10 Member Code of Conduct**

- A. Clubs within GVR are often faced with internal conflicts between club members or behavioral issues. GVR staff does not resolve conflicts between individual club members nor do they get involved with internal policies written and enforced by the clubs.
- B. There are various ways in which clubs can handle member complaints and conduct issues. Two suggestions are as follows:
  1. Three Strike Rule
    - a. Strike One: If a Club Member begins to be disruptive or abusive, a Club Officer or designee should take the individual aside and talk to them privately. Let them know that their behavior will not be tolerated and if it does not stop, they will be asked to leave. Documentation must be kept on file in all instances, in case you need to refer back to a particular incident.
    - b. Strike Two: If the individual continues to be disruptive or abusive, the Club President or designee will write a letter to the individual restating GVR policy and possible consequences. A copy of the letter must be provided to GVR's Club Liaison.
    - c. Strike Three: If the behavior has not been corrected, the Club's Board has the authority to remove the individual from their membership. A removal letter must be provided to the member and GVR's Club



Liaison. Every opportunity to correct a problem should be given to the club member before dismissal from the club. If personality conflicts between members are the problem, they would also be handled as stated above. An equal and fair opportunity should be given to all parties involved.

2. Peer Committees

It may be beneficial for clubs to appoint Peer Committees to serve as mediators when a conflict arises within a club. Their basic function is to investigate and listen to all sides of the story and arrive at a resolution. If a resolution cannot be agreed upon, the matter would go to the Club's Board to handle. At all times, GVR must be kept informed of any conflicts and their outcome.

### **6.2.11 Dissolution of a Club**

- A. Should a club choose to dissolve, they must notify the GVR Club Liaison. The CEO will authorize the formal dissolution of the club after the payment of all bills.
- B. In the event of dissolution of a club, club property remains the property of GVR.

## **SECTION 3 - HOBBY SHOPS AND STUDIO CLUBS**

### **6.3.1 Basic Services**

- A. Arts and crafts facilities are intended for the member's pursuit of hobbies. GVR prohibits the commercial use of its arts and crafts facilities. Mass production of articles to be sold for private gain is prohibited.
- B. If determined to be in the best interest of the membership as a whole, GVR may underwrite basic services of the clubs which include:
  - 1. Facilities
  - 2. Utilities
  - 3. Custodial and maintenance service
  - 4. Counseling and administrative support
  - 5. Fixtures (multi-use tables, chairs, amplifier systems, chalkboards), and
  - 6. Initial equipment basic to the activity.
- C. Hobby shops and studios must be self-supporting through dues, class fees and other miscellaneous revenues. Income derived from studio users and hobby shops shall be used to offset both consumable supply expenses and instructor salaries.

### **6.3.2 Equipment**

- A. Equipment belongs to GVR, whether it is the original equipment, replacement of original equipment, or additional equipment subsequently purchased by the club. Equipment includes, but is not limited to, machines, computers, furniture, machine tools, building fixtures, building improvements, carpeting, and kilns.

- B. The replacement and/or repair of hobby equipment located in the hobby shops is the responsibility of the club.
- C. GVR is responsible for building maintenance (i.e., plumbing, electrical, roof leaks, etc.) within the dedicated club space.
- D. Consumable supplies and operational expenses incurred because of the nature of the activity performed shall be the sole responsibility of the GVR Club.
- E. Additional equipment acquisitions, both capital and operational, which serve to enhance or expand the capabilities or service of the hobby shop, shall be considered improvements and are the sole financial responsibility of the club. Such additional equipment acquisitions shall become the property of GVR.
- F. Club-utilized equipment may be sold or traded by the club provided that:
  - 1. Property traded for shall be utilized by the club;
  - 2. Proceeds from sales shall be utilized for the procurement of property for club use; and
  - 3. Approval shall be obtained from the Chief Executive officer or his/her designee.

### **6.3.3 Members' Use of Hobby Shops**

- A. Members who supervise the hobby shops shall pay annual dues to their club in lieu of a usage charge. Some hobby shops allow usage by guests and a small fee may apply. Please check individual Club's Bylaws for their policy on this issue. This fee, and the dues and income of the club, are expected to provide funds for the purchase and replacement of equipment and for the maintenance and upkeep of equipment.
- B. It is the intent of GVR that dedicated club spaces not be overly unfairly utilized by members mass producing items for resale. While a tax number constitutes commercial intent, not all members making items for sale create a burden on a dedicated space's facilities. If, in the eyes of fellow club members, a member with a tax number is overburdening the facility (storage space, access to equipment, etc.), the Club's Board must take appropriate steps to resolve the issue. If the Club's Board fails to act in an appropriate or timely manner, GVR's Club Liaison will resolve the dispute.

### **6.3.4 Merchandise/Product Sales**

- A. GVR recognizes that finished craft pieces are sold through display cases in hobby shops, the Artisan Shop, and other non-GVR venues to GVR members and to the public.
- B. Arts and Craft Fairs are exempt from the member/guest only sales restriction because the IRS considers such events as occasional and incidental sales activity.
- C. Materials sold through the hobby shops for the production of crafts may only be sold to Club Members.

# **PART 7: COMMUNICATIONS**

## **SECTION 1 – OVERVIEW**

### **7.1.1 Communications Statement**

- A. As an integral part of the greater Green Valley, Arizona community, GVR strives to maintain open and transparent communications in order to foster good relations with its members, news organizations, and the general public.
- B. Because GVR is a private corporation, it is not subject to the same laws that govern municipalities, such as open meeting statutes or laws that protect freedom of speech and freedom of assembly. GVR is under no obligation to publicly disclose all information about the organization and may keep certain information relating to its members, employees and its operations confidential. All GVR Directors, employees, and volunteers are required to abide by GVR's confidentiality policies.

## **SECTION 2 - EXTERNAL COMMUNICATIONS**

### **7.2.1 Public Information Officer (PIO) as Point of Contact**

GVR's CEO shall serve as the official Public Information Officer (PIO) for The Corporation (*CPM Part 4 Section 1: 4.1.1.E*) or may delegate Public Information Officer (PIO) responsibilities. The PIO shall be the single point of contact for inquiries from non-members (general public) and news media.

### **7.2.2 Information Prohibited from Public Release**

- A. GVR protects the confidentiality of certain information in conformance with its governing documents and applicable laws. Unless otherwise compelled by law, or as part of a criminal investigation, GVR will not release information nor comment on the following:
  - 1. Member information and records
  - 2. Employment records and employees' personal information
  - 3. Privileged information between The Corporation and its legal counsel
  - 4. Information related to pending litigation
  - 5. Any information that was made available in an Executive Session of the Board

### **7.2.3 Correction of Inaccurate Information**

GVR will take steps to correct inaccurate information reported by external media about The Corporation as soon as reasonably practicable after its discovery.

### **7.2.4 Media Access**

Members of the media are welcome to request press passes, attend, document events and meetings that are open to the general GVR

membership or the general public, as long as they take care to avoid intruding upon or disrupting those in attendance.

If they have been invited to such events, media representatives (e.g., reporters) are also welcome to attend members-only functions held on GVR property (such as GVR Club events) or events hosted by outside groups that are renting GVR facilities. Media representatives shall inquire with GVR in advance if they wish to attend non-public events or activities to which they have not received an invitation from GVR or the event's host, including GVR classes and club activities held in reserved spaces.

## **SECTION 3 - MEMBER COMMUNICATIONS**

### **7.3.1 Member Communications Sent to Staff**

GVR welcomes constructive feedback, questions, and concerns from members. Members should email operational concerns to [hotline@gvrec.org](mailto:hotline@gvrec.org).

GVR will not respond to anonymous, obscene, harassing, belligerent or threatening communications received from any individual.

### **7.3.2 Member Communications Sent to Board of Directors**

- A. The CEO or CEO designee shall serve as GVR Email Administrator and shall have the following responsibilities with respect to email sent to the GVR Director email address – [board@gvrec.org](mailto:board@gvrec.org):
  - 1. Responding to member emails requesting information and forwarding same to the appropriate GVR staff member and the Board of Directors;
  - 2. Archiving email messages.
- B. Member suggestions made at Board meetings or sent to the Board by other means may be referred to the Board of Directors for consideration.

## **SECTION 4 - BOARD OF DIRECTORS COMMUNICATIONS**

### **7.4.1 Board of Directors Email Policy**

GVR provides each Director with an official individual GVR Director Email Address. If a Director receives a communication directly from a member in a personal non-GVR email account or in the individual Director GVR Email Address that concerns GVR business and/or Board matters, the Director may choose to forward the same to the CEO for review, and if appropriate, archiving and response.

Individual Directors may communicate with members directly through their email accounts, but official GVR Board positions/responses are to be approved and sent by the President, with a Board vote if appropriate.

### **7.4.2 Board of Directors Internal Email Policy**

Directors may communicate among themselves and with staff by email

using the individual GVR Director Email Address provided by GVR, but should not discuss policy or the business of the Corporation with a quorum of the Board, to avoid the perception that decisions are being made outside of meetings. This promotes the goal of transparency (*Section 7.1.1.A*) with the membership by having debate and discussion in open meetings. Open meetings are required by Article IV, Section 5 of the Bylaws.

# **PART 8: RISK MANAGEMENT**

## **SECTION 1 - GENERAL**

### **8.1.1 Policy**

GVR recognizes that good risk management is in the best interest of the organization and has assigned this responsibility to the CEO as an operational issue. The objective is the effective risk management of property and casualty losses to which GVR is, or may be, exposed.

### **8.1.2 Disaster Recovery**

#### **A. Priorities**

1. GVR's three main priorities in a disaster recovery situation shall be:
  - a. Protect and care for the people who are at the disaster site.
  - b. Protect all GVR assets located at the site.
  - c. Ensure business continuation as quickly and effectively as possible.

#### **B. Disaster Manual**

1. Staff shall maintain, and update as needed, a manual, located at all volunteer monitor locations, as a readily available method of effectively responding to a disaster affecting GVR and the surrounding community.
2. The manual provides a means for personnel to find correct information quickly and to adjust to a disaster.
3. The manual includes a plan for recovery from the effects of a disaster after the emergency has been addressed, to the point where all normal operational functions are restored.

#### **C. Disaster Recovery Team**

1. The CEO has the prime responsibility for the creation and successful operation of the Disaster Recovery Team. The CEO functions as the principal PIO, who provides communications to media and membership regarding process, direction, and progress of recovery effort.
2. A Risk Management Committee shall be appointed by the CEO. Members collectively shall have expertise in insurance, risk management, loss mitigation, medical, contracts and finance. Appointed GVR staff members shall include Facilities Director, CFO, and IT Director.
3. The Risk Management Committee has the responsibility to review relevant insurance policies regarding coverage.
4. The Disaster Recovery Team has primary responsibility of maintaining member services during a disaster. The CEO shall coordinate with GVR Board when additional revenue, equipment, or staff is needed to fulfill this mission. The CEO shall assist the Risk Management Committee with direction as to facilities and planning.

## **SECTION 2 – INSURANCE AND INDEMNIFICATION**

### **8.2.1 Coverages**

- A. The following insurance coverages shall be maintained by The Corporation:
  - 1. Property Insurance on Buildings and Contents
  - 2. Business Interruption Insurance
  - 3. General Liability
  - 4. Electronic Data Processing
  - 5. Crime, Employee Dishonesty and Forgery
  - 6. Automobile
  - 7. Umbrella Liability
  - 8. Directors and Officers Liability
  - 9. Employment Practices
  - 10. Fiduciary Liability
  - 11. Workers' Compensation

### **8.2.2 Volunteers and Members**

GVR volunteers and members shall be listed as additional insureds in its General Liability protection coverage.

### **8.2.3 Committee Members**

Committee members shall be listed as additional insureds on the Directors and Officers Liability Policy.

### **8.2.4 Indemnification**

The Corporation shall indemnify and hold harmless its Officers, Directors, employees, volunteers, and agents to the extent permitted by Arizona law.

## **SECTION 3 – FRAUD POLICY**

### **8.3.1 Scope of Policy**

- A. This policy is established to facilitate the development of controls that will aid in the detection and prevention of fraud against GVR. This policy applies to any irregularity, or suspected irregularity, involving employees as well as members, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with GVR.
- B. Staff are in the best position to detect and prevent fraud, misappropriations, and other irregularities within their area of responsibilities. Each member of the management team should be aware of the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

### **8.3.2 Actions Constituting Fraud**

- A. Fraudulent acts include the following:
  - 1. Any dishonest or fraudulent act.

2. Misappropriation of funds, securities, supplies, or other assets.
  3. Impropriety in the handling or reporting of money or financial transactions.
  4. Profiteering as a result of insider knowledge of GVR activities.
  5. Disclosing confidential and proprietary information to outside parties.
  6. Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to GVR. Exception: gifts less than \$100 in value with authorization by a supervisor and in compliance with the GVR Employee Handbook.
  7. Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment; and/or
  8. Any similar or related irregularity.
- B. Irregularities concerning an employee's moral, ethical, or behavioral conduct do not fall within this Policy and should be reported to the HR Manager.

### **8.3.3 Reporting Procedures**

- A. An employee who discovers or suspects fraudulent activity will contact the CFO immediately or if the CFO is the individual allegedly involved in the activity, the CEO. The employee or other complainant will remain anonymous.
- B. The reporting individual should be informed of the following:
1. Do not contact the suspected individual in an effort to determine facts or demand restitution.
  2. Do not discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by GVR's Legal Counsel or the HR Department.
  3. Do not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act.

### **8.3.4 Investigative Responsibilities**

- A. The HR Department has the primary responsibility for the investigation of all suspected fraudulent acts. In that effort, the HR Department will have:
1. Free and unrestricted access to all GVR records and premises, whether owned or rented; and
  2. The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of their investigation.
- B. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to GVR.



### **8.3.5 Confidentiality**

- A. The CEO, CFO and the HR Department shall treat all information received confidentially. Investigation results will not be disclosed or discussed with anyone other than as directed by the CEO or the HR Department. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect GVR from potential civil liability.
- B. All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquirer must be directed to the HR Department. No information concerning the status of an investigation will be given out. The proper response to any inquiries is: "I am not at liberty to discuss this matter." Under no circumstances should any reference be made to "the allegation," "the crime," "the fraud," "the forgery," "the misappropriation," or any other specific reference.

### **8.3.6 Results of Investigation**

- A. If the investigation substantiates that a fraudulent activity has occurred, the HR Department shall notify the CEO. The CEO shall report the findings to the Board President and if appropriate, notify GVR's insurance carrier if there is a financial loss to GVR.
- B. Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made by the Board in consultation with GVR's Legal Counsel and CEO, as will final decisions on disposition of the case.
- C. If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by the designated representatives from the CEO, the HR Manager, and GVR's Legal Counsel and, if necessary, by outside counsel, before any such action is taken.

### **8.3.7 Administration**

The CEO is responsible for the administration and application of this policy. The CFO, in conjunction with the HR Department, shall perform an annual assessment and evaluation of the risk of fraud and report the findings thereof to the CEO and GVR's Board.

# **PART 9: HUMAN RESOURCES**

## **SECTION 1 - EMPLOYMENT PRACTICES MANDATES**

### **9.1.1 Non-Discrimination Policy**

It is the policy of GVR to treat all people with dignity, respect and equality regardless of age, race, color, and ancestry, country of origin, disability, ethnicity, marital status, family status, veteran status, gender, religion, sexual orientation or gender identity.

### **9.1.2 Non-Discrimination Practices**

- A. GVR shall comply with all federal and Arizona statutes pertaining to employment practices. Such compliance includes, but is not limited to:
1. Title VII of the Civil Rights Act of 1964, as amended
  2. Age Discrimination in Employment Act of 1967, as amended
  3. Equal Pay Act of 1963, as amended
  4. Americans with Disabilities Act of 1990, as amended
  5. Family and Medical Leave Act of 1993
  6. Occupational Safety and Health Act of 1970
  7. Fair Labor Standards Act
  8. Immigration and Control Act of 1986

## **SECTION 2 - CORPORATE PERSONNEL**

### **9.2.1 Policy Statement**

GVR works diligently to employ competent people from diverse backgrounds to work together. Fair and effective employment practices are the foundation for trust and open communication enabling GVR to best support employees in achieving personal and organizational objectives.

### **9.2.2 Equal Employment Opportunity Policy**

- A. General  
Underlying the mission of GVR is a firm belief in the dignity of all people, which is actively affirmed through the *Green Valley Recreation Equal Opportunity Policy*, which strongly states its commitment to equal employment opportunity for applicants, employees at all levels and volunteers. Primary responsibility for implementation of this policy rests with the CEO.
- B. Policy  
GVR in its employment policies and practices and in its public accommodations agrees to comply with all relevant and applicable federal, state, and local laws and regulations and standards relating to discrimination, biases and/or limitations based on age, race, color, ancestry, country of origin, disability, ethnicity, marital status, familial status, veteran status, gender, religion, sexual orientation or gender identity. This policy governs

all aspects of employment, including recruitment and recruitment advertising, selection, job assignment, promotion, demotion, corrective actions, reduction-in-force, termination, compensation, selection for training and development, and all organization sponsored social and recreational activities.

## **SECTION 3 – MISCELLANEOUS**

### **9.3.1 Volunteers**

- A. A volunteer is a person who performs a service for GVR without compensation.
- B. Volunteers will be reimbursed by GVR for pre-authorized expenses.

### **9.3.2 GVR 401(K) Contribution Plan**

GVR has a 401(K) Contribution Plan for the benefit of its employees.

### **9.3.3 Records Retention Policy**

GVR will maintain all payroll and personnel records in an organized manner and keep such records in a safe and protected environment.

# **PART 10: MISCELLANEOUS**

## **SECTION 1 - PETITIONS FOR BOARD CANDIDATES & PROPOSED BYLAW AMENDMENTS**

### **10.1.1 Petition Process**

- A. Petitioning Member will contact the CEO designee to review the process and will sign, in the presence of that staff member, the Statement of Agreement. The Statement indicates that the Petitioner has read and agrees to the petition process contained in this section of the CPM for the handling of petitions.
- B. All petitions shall be on the proper form available from the CEO designee. After the form has been signed and witnessed by the CEO or designee, the Petitioner may make multiple copies of the form and shall pre-number each. The Petitioner may then begin obtaining signatures with addresses, and GVR numbers.
- C. Signatures may be collected on GVR properties, but not in dedicated club spaces, nor in auditoriums during GVR-sponsored events, concerts or performances. Petitioners are reminded to be respectful of members.

### **10.1.2 Requirements for Signatures**

- A. Signatures on the petition shall be made in the presence of the Petitioner or their designee.
- B. As with voting, only one (1) signature for a particular GVR property will be counted.
- C. After the required number of signatures is collected, the Petition forms shall be returned for validation to the CEO designee.
- D. After validation is complete, the Petitioner will be notified as to whether the Petition meets the requirements for the matter to be placed on the ballot.

## **SECTION 2 - EXAMINATION OF CORPORATE DOCUMENTS**

### **10.2.1 Inspection of Records**

Subject to the limitations set forth in Arizona law, the books, records and papers of The Corporation shall, for specific and proper purpose, at all reasonable times during business hours be subject to examination by a GVR Member upon written demand to the GVR Email Administrator. GVR will not create or generate reports that are not kept in The Corporation's records.

### **10.2.2 Charge for Documents**

A GVR Member requesting copies of GVR records will be charged at a per page rate determined by administration with the exception of GVR Bylaws or any GVR free publications.

## **SECTION 3 - TYPOGRAPHICAL ERRORS**

### **10.3.1 Discovery of Error**

When a GVR member or employee discovers or is made aware of an apparent typographical error or other anomaly in the CPM, that person is directed to forward that information to the BAC Chairperson.

### **10.3.2 Correction of Error**

A. Upon receipt of that information, the Chairperson or a BAC Member designated by the Chairperson for such purpose, shall examine the reported error and:

1. If the error in any way changes or confuses the intended meaning of the section, it shall be referred to the BAC. The Committee shall take appropriate corrective action.
2. If the error does not alter or confuse the intended meaning of the section, the reviewing person shall forward the information to the CEO designee, who may cause the item to be placed in a tickler file for corrective action to be taken the next time the page containing the error is otherwise revised.

# APPENDIX 1 – BOARD POLICIES

## SECTION 1 - BUDGET DEVELOPMENT POLICY

### 1.1.1 Objective

This Policy Statement provides the framework for annual budget development, review, and adoption. Included in this Statement are the budget development milestones and the recommended timetable for their completion to ensure that all necessary contributions and approvals are completed and on schedule.

### 1.1.2 Policy

#### A. References

1. Bylaws Article III Sections 1-5: Dues and Assessments
2. Bylaws Article VI Section 2: Limits of Authority and Indebtedness
3. Bylaws Article VII Section 4: Responsibilities of Officers
4. CPM Part 1 Section 1: 1.1.1-1.1.6 - Dues and Fees
5. CPM Part 5: Fiscal/Accounting
6. CPM Part 4 Section 2: 4.2.1.A.2 and 3 - Responsibilities
7. CPM Part 4 Section 1: 4.1.2 – Fiscal Authority
  - a. Bylaws Article III Section 1 above states: “Membership dues and operating and capital budgets shall be established by the Board of Directors.”

#### B. Schedule for annual budget preparation and approval process (structured for a calendar year):

1. January/February:
  - a. CEO/staff will solicit any capital or operational needs from GVR Clubs and programs. A list of operational and capital needs will be developed. Staff will provide cost estimates for these projects.
  - b. Staff begin the annual Facilities Center Assessments process.
2. March:
  - a. The Planning & Evaluation (P&E) Committee reviews and prioritizes Club requests greater than \$2,500 for current Fiscal Year implementation. Projects less than \$2,500 are included in the Center Assessments. Clubs will be notified by P&E (or designee) of the status of their projects (either funded or unfunded).
3. April/May:
  - a. Staff prepare, prioritize and provide cost estimates for Center Assessments’ maintenance and capital replacement project lists.
4. June/July:
  - a. CEO/staff prepare operations and capital budgets.
5. August/September:
  - a. Staff provides recommendations for Center

- Assessments' priorities from Center Assessments and Reserve Study. (maintenance and capital replacements)
- b. P&E Committee considers 10-Year Strategic Master Plan projects for upcoming fiscal year.
  - c. FAC considers staff proposal for fiscal year operating budget, and schedule of dues and fees. After review, FAC will forward to the Board with the recommendation that the budget be accepted as presented.
  - d. FAC considers P&E Committee recommendations for new capital improvement projects from the 10-Year Strategic Master Plan.
  - e. Staff determines and notifies the P&E Committee of budget available for capital club requests for the following calendar year.
6. September/October:
    - a. The Board will approve the Schedule of Dues and Assessments; the Board reviews and approves annual operating and capital budgets.
    - b. The Board will have an approved budget available for execution no later than November 15.
  7. Approved Annual Operating & Capital Budget Implementation:
    - a. Once the annual operating and capital budget is approved, the CEO will execute the budgets within the overall budget totals. Any proposed additions to the annual budget after approval by the Board will be forwarded to the Board for authorization prior to execution.

### **1.1.3 Limitations**

- A. The CEO is guided by references cited in the Policy Statement in developing dues and assessments. These should not be exceeded unless approved by the Board.
- B. The CEO is guided by the development process cited in Appendix 1 Section 1:1.1.2. From time-to-time the CEO will apprise the Board of the status of the budgets being developed.
- C. Once approved by the Board, the CEO may execute the annual budgets within the overall budgeted amount.
- D. The CEO may shift amounts between line items in the Board-approved budget to meet current or anticipated needs. Any line item that is decreased or increased by more than 15% or \$15,000, whichever is greater, should be reported to the Board.
- E. The status of Reserve Funds will be reported in the annual budget development process. After Board approval, Reserve Funds will be an integral part of GVR budget development. The CEO is encouraged to bring the most appropriate funds and their execution forward for approval.

## **SECTION 2 - GVR FACILITIES POLICY STATEMENT**

### **1.2.1 Resolution**

- A. **WHEREAS**, Green Valley Recreation, Inc. (GVR) recognizes that planning and development of all GVR facilities and dedicated space is predicated on 'Peak Season' use; and
- B. **WHEREAS**, The Corporation also acknowledges that all of its facilities and dedicated space were established with great intention and financial commitment for sanctioned GVR Club, sport, and other activities 'that enhances the quality of our members' lives' (*from GVR Mission Statement*); and
- C. **WHEREAS**, periodic review of member facilities and dedicated space use is strategically important to ensure that member needs are consistently met; and
- D. **WHEREAS**, any re-appropriation or rededication of existing spaces or facilities can only occur when circumstances of markedly diminished use or need for affected facilities can be clearly demonstrated.
- E. **THEREFORE, BE IT RESOLVED, IT IS THE POLICY OF GVR:**
  - 1. To not repurpose or expropriate existing facilities and previously dedicated space without prior consultation with and proper notification to affected membership stakeholder groups;
  - 2. To consider repurposing facilities and dedicated space when, in the determination of the Board, there is sufficient documented decline in usage over the course of several years, which may be mirrored by similar decline in club membership. Specifically, when contemplating repurposing facilities or space, the Board will consider:
    - a. Clearly demonstrated need for new or expanded GVR facilities and/or designated space;
    - b. Usage data for GVR facilities and designated space provided by staff (staff-reported data may reference data gathered by affected groups); and,
    - c. No less than three (3) years of prior usage data.
  - 3. To consider repurposing facilities and dedicated space for other GVR purposes when, in the determination of the Board, there are ample facilities available of the type to be removed, reclaimed or repurposed sufficient to ensure that member needs are consistently met.

## **SECTION 3 - GVR INVESTMENT POLICY STATEMENT**

### **1.3.1 Introduction**

In making investment decisions, the GVR Board, Investments Committee, GVR's CEO and CFO, and GVR's financial advisor(s), if any, shall act in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner they reasonably believe to be in the best interests of GVR and manage the assets of GVR in accordance with the Arizona Prudent Investor Act



(AZ Rev Stat § 14-10901 et. seq.) and the Arizona Management of Institutional Funds Act (AZ Rev Stat § 10-11801 et. seq.)

### **1.3.2 Purpose and Scope**

- A. The purpose of this IPS is to provide a framework for ensuring that GVR investments are managed consistently with GVR's short- and long-term financial objectives. At the same time, this IPS is intended to provide for sufficient investment flexibility to adjust to operational and market changes. Appendix 1 Section 3: 1.3.5 includes the detailed investment strategy and financial objectives for each Fund.
- B. The Investment funds include the following:
  - 1. Operating Cash Investments Account
  - 2. Initiatives Reserve Fund (IRF)
  - 3. Maintenance Repair/Replace Reserve Fund (MRR)
  - 4. Maintenance Repair/Replace Reserve Fund Part "B" (MRR-B)
  - 5. Emergency Reserve Fund (ERF)
- C. This IPS applies to all investments of GVR's excess operating cash and **Reserve Funds** and supersedes Appendix 1 Section 3 of the CPM concerning investments.

### **1.3.3 Definitions**

- A. Defined words used in this IPS are capitalized and written in Bold typeface.
- B. See Appendix 1 Section 3: 1.3.12 for definitions of defined words.

### **1.3.4 Management of Investments**

- A. GVR's Board has fiduciary responsibility for GVR's investments.
- B. The Board, Investments Committee, GVR's CEO and CFO and financial advisor(s), if any, are bound by (1) this IPS unless changed or amended by Board resolution and (2) all federal and state laws and regulations.
- C. The responsible parties for day-to-day management of each investment account are as follows:
  - 1. Operating Cash Investments Acct: GVR's CEO and CFO.
  - 2. Initiatives Reserve Fund (IRF): The Investment Advisor.
  - 3. Maintenance Repair/Replace Reserve Fund (MRR): The Investment Advisor.
  - 4. Maintenance Repair/Replace Reserve Fund Part "B" (MRR-B): The Investment Advisor.
  - 5. Emergency Reserve Fund (ERF): The Investment Advisor.

### **1.3.5 Operating Cash Investment Objectives**

- A. Investment Objectives  
The primary investment principle is to maintain the safety of GVR's assets. The secondary investment principle is to have invested operating cash and **Reserve Funds** available when needed by GVR's operations without incurring an unwarranted loss of value or costs. The maturity horizon for each **Fund** shall

be determined by each **Fund's** purpose, use, and needs. The third investment principle is to achieve return on investments exceeding benchmarks, while meeting safety and liquidity principles.

B. Asset Allocations

1. The target Asset Allocations and anticipated allocation ranges for each Fund are below:

a. Operating Cash Investment Account – Part “A” Short-Term

Investment Type	Target	Range
Cash	25%	20% to 40%
Fixed Income	75%	60% to 80%
Equities	0%	Not Allowed

b. Operating Cash Investment Account – Part “B” Long-Term

Investment Type	Target	Range
Cash	0%	0% to 10%
Fixed Income	30%	20% to 40%
Equities	70%	60% to 80%

Note: Staff are authorized to transfer funds between Part A and B Operating Cash Funds to maximize returns while maintaining sufficient cash consistent with operating cash policy.

c. Initiatives Reserve Fund

Investment Type	Target	Range
Cash	5%	0% to 10%
Fixed Income	85%	75% to 95%
Equities	10%	0% to 20%

d. Maintenance Repair/Replace Reserve Fund

Investment Type	Target	Range
Cash	5%	0% to 10%
Fixed Income	60%	50% to 70%
Equities	35%	25% to 45%

e. Maintenance Repair/Replace Reserve Fund Part “B”

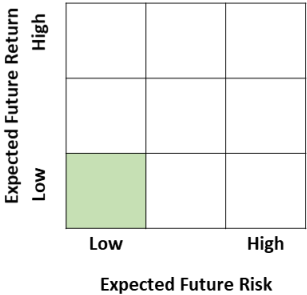
Investment Type	Target	Range
Cash	0%	0% to 10%
Fixed Income	40%	30% to 50%
Equities	60%	50% to 70%

f. Emergency Reserve Fund

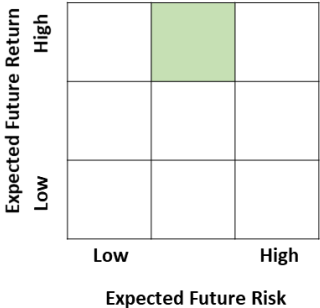
Investment Type	Target	Range
Cash	0%	0% to 10%
Fixed Income	30%	20% to 40%
Equities	70%	60% to 80%

C. Risk Tolerance - Risk Tolerance for each investment fund is as follows:

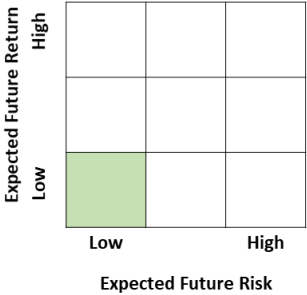
1. Operating Cash Investment Account Part "A" Short-Term Low Risk/Low Return



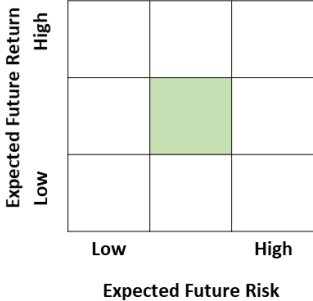
2. Operating Cash Investment Account Part "B" Long-Term High Return/Medium Risk



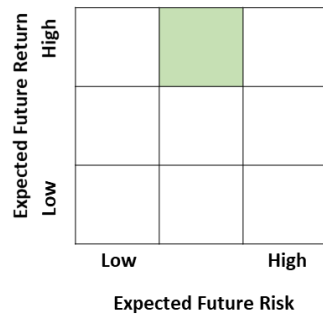
3. Initiatives Reserve Fund Low Risk/Low Return



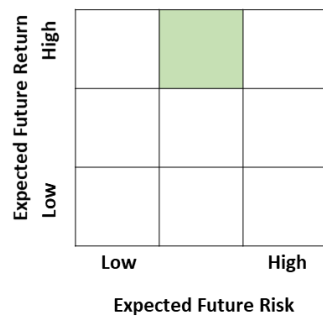
4. Maintenance Repair/Replace Reserve Fund Medium Risk/Medium Return



5. Maintenance Repair/Replace Reserve Fund Part "B"  
High Return/Medium Risk



6. Emergency Reserve Fund  
High Return/Medium Risk



D. Investment Strategy

1. Within the constraints of the primary and secondary investment principles and **Risk Tolerance**, the following written Investment Strategies for operating cash investments and each Reserve Fund has been crafted and implemented to achieve the following.
  - a. Match the purpose and use of operating cash investments and each **Reserve Fund**.
  - b. Provide a relatively predictable and growing stream of annual income and **Capital Appreciation** after inflation, taxes, if any, fees and costs while minimizing the impact of market volatility.
  - c. Excluding Treasury securities, investments in any one security shall not exceed 10% of the value of a Reserve Fund.

E. Benchmarks - The following benchmarks will be utilized for the investment funds:

1. Operating Cash Investment Account Part "A" Short-Term
  - a. For each performance report, the brokerage firm will calculate a blended Benchmark for the Operating Cash Investment Account Part "A" Short-Term, from the Benchmarks listed below, to reflect how the funds contained within the account are invested.
    - 1) ICE BofAML 0-3 Month US Treasury Bill Index TR USD
    - 2) BB T-Bill 1-3-month TR

- 3) BB U.S. 1–3-year Government
  - 4) BB US Aggregate Index
  - b. This blended Benchmark shall be provided by this Fund’s Investment Advisor within their reports and presentations to the Client.
2. Operating Cash Investment Account Part “B” Long-Term
    - a. For each performance report, the brokerage firm will calculate a blended Benchmark for the Operating Cash Investment Account Part “B” Long-Term, from the Benchmarks listed below, to reflect how the funds contained within the account are invested.
      - 1) Dow Jones U.S. Dividend 100™ Index 35.0%
      - 2) S&P U.S. Dividend Growers Index 35.0%
      - 3) Bloomberg Barclays Multiverse Index 30.0%
    - b. This blended Benchmark shall be provided by this Fund’s Investment Advisor within their reports and presentations to the Client.
  3. Initiatives Reserve Fund
    - a. The Benchmark for the Initiatives Reserve Fund will be a blended benchmark as follows:
 

1) Russell 3000 Index	7.0%
2) MSCI EAFE	1.5%
3) MSCI EM	1.5%
4) ML 91-Day T-Bill	70.0%
5) Bloomberg Barclays Intermediate Government/Credit	<u>20.0%</u>
Total	100.0%
    - b. A comparison of Fund performance to this benchmark shall be provided by this Fund’s Investment Advisor within their reports and presentations to the Client.
  4. Maintenance Repair/Replace Reserve Fund
    - a. The Benchmark for the Maintenance Repair/Replace Reserve Fund will be a blended benchmark as follows:
 

1) Russell 3000 Index	20.0%
2) MSCI EAFE	2.5%
3) MSCI EM	2.5%
4) ML 91-Day T-Bill	5.0%
5) Bloomberg Barclays Intermediate Government/Credit	<u>70.0%</u>
Total	100.0%
    - b. A comparison of Fund performance to this benchmark shall be provided by this Fund’s Investment Advisor within their reports and presentations to the Client.
  5. Maintenance Repair/Replace Reserve Fund Part “B”
    - a. The Benchmark for the Emergency Reserve Fund will be a blended benchmark as follows:
 

1) Russell 3000 Index	60.0%
2) MSCI EAFE	5.0%

- |    |  |              |
|----|--|--------------|
| 3) | MSCI EM  | 5.0%         |
| 4) | Bloomberg Barclays Intermediate<br>Government/Credit | <u>30.0%</u> |
|    | Total  | 100.0%       |
- b. A comparison of Fund performance to this benchmark shall be provided by this Fund's Investment Advisor within their reports and presentations to the Client.
6. Emergency Reserve Fund
- a. The Benchmark for the Emergency Reserve Fund will be a blended benchmark as follows:
- |    |  |              |
|----|--|--------------|
| 1) | Russell 3000 Index                                   | 60.0%        |
| 2) | MSCI EAFE  | 5.0%         |
| 3) | MSCI EM  | 5.0%         |
| 4) | Bloomberg Barclays Intermediate<br>Government/Credit | <u>30.0%</u> |
|    | Total  | 100.0%       |
- b. A comparison of Fund performance to this benchmark shall be provided by this Fund's Investment Advisor within their reports and presentations to the Client.

F. Liquidity

Maintaining sufficient liquidity to meet operational needs is one of GVR's key investment objectives. At each quarterly review of investments with the Investment Advisor, the IC will assess the liquidity position of each Fund as to being within the ranges set forth in the asset allocation tables. Also, the IC will monitor the trends from these quarterly reports and determine whether a range adjustment is appropriate. If so, the IC will propose the recommended adjustment to the GVR Board for approval to revise the IPS.

G. Rebalancing

Portfolios shall be **Rebalanced** as appropriate but at least quarterly.

### 1.3.6 Permitted Investments

- A. U.S. Treasury Bills, Notes and Bonds and Certificates of Deposit issued by a bank insured by the Federal Deposit Insurance Corporation.
- B. Securities of Federal Agencies that carry the direct or implied guarantee of the U.S. Government including Federal Home Loan Bank, Federal Farm Credit Bank, Federal National Mortgage Association, Student Loan Marketing Association, World Bank and Tennessee Valley Authority.
- C. U.S. and foreign corporate bonds and notes denominated in U.S. Dollars rated **Investment Grade** including short-, medium- and long-term notes rated of Baa3 or BBB- or better at time of purchase.
- D. Taxable Municipal bonds rated Baa3 or BBB- or better at time of purchase.
- E. U.S. corporate common stock.

- F. Small-Capitalization Stocks (defined as market-capitalization below \$2 billion) shall not represent more than 10% of the equity segment of any GVR **Fund**.
- G. International Stocks shall not represent more than 15% of the equity segment of any GVR **Fund**.
- H. **American Depository Receipts (ADR)** and Global Depository Receipts of a foreign corporation.
- I. Investments in mutual funds, Exchange Traded Funds (“ETF”) and index funds are permitted provided 85% or more of their investments are in permitted investments shown above and such funds do not use **Leverage**.
- J. Overnight investment in money market funds at GVR’s bank and broker/dealer, if any, are permitted.
- K. REITS
- L. All investments NOT specified under Permitted Investments above are prohibited.

### **1.3.7 Review and Monitoring**

- A. GVR’s Board is responsible for GVR’s Investment policies, activities, and performance.
- B. The CEO shall have oversight of and the CFO is responsible for:
  1. Monitoring the activities of GVR’s financial advisor(s).
  2. Day-to-day coordination with Advisor regarding investment activity and decisions.
- C. The Investments Committee’s responsibilities are listed below:
  1. Recommend to the Board the selection, hiring and termination of professional outside investment advisor(s) and/or brokerage firm with notice to the CEO.
  2. Revise GVR’s IPS subject to Board approval.
  3. Monitor, measure, and report on investment advisor’s or advisors’ performance(s) using the benchmarks specified in CPM Part 5.
  4. Ensure GVR management implements and complies with GVR’s IPS.
  5. Meet at least once each calendar quarter to perform its assigned duties and report to the Board.

### **1.3.8 Responsibilities of the Client**

- A. The client will authorize the CEO and CFO to serve as liaisons between the Client and Advisor.
- B. Client’s authorized staff is responsible to ensure the smooth transition of the Clients investment portfolio to Advisor.
- C. Client’s authorized staff will oversee that the Advisor’s reporting requirements are met.
- D. Client’s authorized staff will ensure that communications to Advisor from Client’s Board or Investments Committee are presented to Advisor in a timely manner.
- E. Client’s authorized staff will facilitate the Advisor’s face-to-face and video conference presentations to Client’s Board or Investments Committee.

- F. Any proposed changes to this IPS will be discussed with the Advisor promptly.
- G. The client will inform the Advisor, as soon as possible of anticipated additions to or withdrawals from the Portfolio.

### **1.3.9 Responsibilities of the Advisor**

- A. Any deviation from this IPS will be discussed in advance with the Client unless market conditions require immediate action. The Advisor will, within this IPS, have full discretion to buy, sell, invest and reinvest in assets on behalf of the Client.
- B. Advisor has a fiduciary responsibility to make investment decisions based upon what is best for the Client and within IPS approved by the Client, the Advisor will have discretion to buy, sell, invest, and reinvest in investment assets on behalf of the Client, with notification to the Client of such transactions.
- C. The Investment Advisor will make quarterly presentations about the Client's investment portfolio to the Client's Board and/or Investments Committee in Green Valley, AZ at Advisor's expense at least twice a year, unless otherwise mutually agreed in writing between Advisor and Client.
- D. The Advisor will participate in audio and/or video conference meetings with the Client's Investments Committee on a quarterly basis each year, when not meeting in person, unless otherwise mutually agreed in writing between Advisor and Client.
- E. At a minimum, the Advisor will provide the GVR Investments Committee with Account Statements showing the following:
  - 1. Individual positions (at the end of the calendar-quarter),
  - 2. Asset allocation (at the end of the calendar-quarter),
  - 3. Fees and expenses charged directly to the IA (during the calendar-quarter),
  - 4. Transactions (occurring during the calendar-quarter),
  - 5. Performance net of any and all fees, expenses, and charges (as of the end of the calendar-quarter), and
  - 6. Comparative Investment Benchmarks, shown above in Appendix 1 Section 3: 1.3.5.E (as of the end of the calendar-quarter).
- F. These account statements will be delivered shortly after the end of each calendar-quarter.

### **1.3.10 Remediation**

- A. If a Reserve Fund is in violation of one or more of the Investment Constraints described above for a period of time greater than ten consecutive business days, then:
  - 1. The Chairman of the GVR Investments Committee is to be immediately notified. The Chairman shall conduct an Investments Committee meeting, along with the Investment Advisor, to discuss the go-forward strategy due to the out-of-compliance issue. This shall happen within ten business days.
  - 2. The Reserve Fund is to be brought back into compliance



- within ten business days of the meeting.
3. Once the Reserve Fund is back in compliance, the Chairman of the GVR Investment Committee is to be immediately notified.
- B. If a Reserve Fund fails to achieve its Investment Objective (*identified above under CPM Part 5*), then the:
1. Chairman of the GVR Investments Committee is to be immediately notified, and
  2. GVR Investments Committee is to meet within one calendar month to develop a recommendation on what actions, if any, should be taken to remedy this failure.

### **1.3.11 Acknowledgments**

We, the Board, recognize the importance of adhering to this IPS and agree to fulfill its objectives to the best of our ability.

### **1.3.12 Investment Policy Statement – Definition of Terms**

- A. Investopedia.com is the primary source of definitions. Some definitions have been paraphrased or they are a composite from several sources.
1. American Depository Receipt (ADR) is a negotiable certificate issued by a U.S. bank representing a specific number of shares (or one share) in a foreign stock that is traded on a U.S. exchange. ADRs are denominated in U.S. Dollars, with the underlying security held by a U.S. financial institution overseas. This is an excellent way to buy an investment in a foreign-based company while realizing any dividend and capital gains in U.S. Dollars. However, ADRs do NOT eliminate currency, economic and country risks attributable to the foreign-based company. There are other ADR risks too. Consult your financial advisor(s).
  2. Asset Class means a group of securities that exhibit similar characteristics. The three (3) main asset classes are stocks, fixed income securities (bills, notes, bonds & other debt), and cash and cash equivalents. Some investment professionals would include real estate and commodities and, possibly, other types of investments. Whatever the asset lineup, each one is expected to reflect different risk and return characteristics and will perform differently.
  3. Asset Allocation is an **Investment Strategy** aimed to balance risk and reward by apportioning a portfolio's assets according to an investor's goals, **Risk Tolerance**, and investment time horizon. There is no simple formula that can find the right asset allocation for every investor. However, the consensus among most financial professionals is asset allocation is one of the most important decisions an investor can make. In other words, an investor's selection of individual securities is secondary to the way investments are allocated among the various

- securities.
4. Capital Appreciation is a rise of an asset price based on a rise in market price.
  5. Credit Rating is a grade composed of a letter or letters and numbers given to a particular security by a **Nationally Recognized Statistical Rating Organization** (a credit agency) that ranks investment according to its ability to meet its obligations.
  6. Diversification is a process of allocating capital in a way that reduces exposure to any one particular asset or risk.
  7. Fund or Fund's and Funds or Funds' means operating cash investments and each **Reserve Fund**.
  8. Investment Grade is a **Credit Rating** that indicates the issuer of a debt security has relatively low probability of default. In the case of stocks, investment grade indicates the financial soundness of the issuer. The investment industry has well-established credit rating standards for investment grade.
  9. Investment Strategy is an investor's plan of attack to guide its investment decisions based on its goals, **Risk Tolerance** and future needs for invested money. The components of most investment strategies include **Asset Allocation**, buy and sell guidelines, and **Risk Tolerance**. Investment strategies can differ greatly from a rapid growth strategy to a **Capital Appreciation** strategy. The most important part of an investment strategy is that it aligns with the investor's goal and it is followed closely by the investor and his/her financial advisor.
  10. Leverage is the use of various financial instruments or borrowed capital such as margin to increase a potential return of an investment.
  11. Liquidity means how quickly and easily an investment can be converted into cash.
  12. Nationally Recognized Statistical Rating Organization (NRSRO) is a term used by the U.S. Federal Government in several regulatory areas to define a credit rating company like Standard & Poor's, Moody's, Fitch, and others.
  13. Rebalancing is the process of realigning the weightings of a portfolio's assets to match its **Asset Allocation** model's weightings. Over time, the prices of investments rise and fall unevenly thus changing the weighting of a portfolio's assets. For example: If an **Asset Allocation** model is 40% stocks, 50% fixed income and 10% cash and the current portfolio assets are distributed 45% stocks, 35% fixed income and 20% cash, rebalancing buys and sells investments to align the current portfolio's asset weightings with the **Asset Allocation** model. If a different **Asset Allocation** model is applied to a portfolio, rebalancing adjusts the portfolio's assets to the new **Asset Allocation** model's weightings.

14. Reserve Fund and Reserve Funds mean a Reserve Fund as defined in the CPM Part 5 Section 3: 5.3.2.
15. Risk Tolerance is an investor's willingness to risk a potential loss for a potential gain. For example: How comfortable is an investor taking a potential 10% loss for a potential gain of 20%? The investor's risk tolerance is tested at various levels of loss vs gain to assess the investor's overall tolerance for risk and reward.
16. Volatility is the dispersion of a security's price from its mean price over time. A high deviation from a security's mean indicates high volatility. A low deviation indicates low volatility. Commonly, higher the volatility means higher the risk.

## **SECTION 4 - GVR PHILANTHROPIC NAMING OPPORTUNITIES POLICY**

### **1.4.1 Purpose**

The purpose of this policy is to provide standard guidelines for the GVR Board in naming buildings, sites, and common areas as well as programs, funds and services.

### **1.4.2 Naming in Recognition of Financial Support**

- A. For naming in recognition of financial gifts, the donor will be expected to provide all or a substantial part of the cost of the entity. "Substantial" is deemed to mean either a significant majority of the cost (25%) or a contribution which, while not being a significant majority, would not have been available from another source or was in some way integral to project completion. A guide for naming may be based on cost of area per square foot with appropriate adjustments based on visibility of space to be named and other considerations. Naming of programs, funds and services for individual donor gifts may be made when a substantial gift is received for such purpose.
- B. Donors may be individuals, families, organizations, foundations or corporations.
- C. In establishing objectives for a fundraising campaign, GVR Foundation, in consultation with the GVR Board, will establish a schedule of naming opportunities and the level of donation required for each. The Foundation will consult with the GVR Board to advise whether the gift levels are appropriate and consistent with other similar campaigns.

### **1.4.3 General Provisions**

- A. No naming will be approved or (once approved) sustained that will call into serious question the public respect of GVR.
- B. Names of facilities or areas should lend prestige to GVR. The credentials, character and reputation of each individual, organization or corporation for whom the naming rights are being considered shall be carefully scrutinized and evaluated.

Nominations submitted for consideration must be accompanied by supporting documentation.

- C. When a building or significant area is named, GVR will continue to use the name so long as the building or area remains in use and serves its original function. When the use has changed such that it must be demolished, substantially renovated or rebuilt, GVR may retain the use of the name, name another comparable room or facility or discontinue the use of the name.
- D. It is the responsibility of the Foundation negotiating on behalf of GVR to advise potential benefactors that their gift may be recognized by naming, subject to approvals and decisions consistent with this policy.
- E. It is also recognized that the Foundation, in developing and executing a campaign, may rely on plaques, a donor wall (monument), pavers, benches, etc. to encourage and recognize a variety of donors.

#### **1.4.4 Approvals**

- A. All proposals for naming will be forwarded to the GVR Board, who shall make a determination whether the proposed naming conforms to this policy, is otherwise appropriate, and is of sufficient merit.
- B. The GVR Board will consider for approval the naming of buildings, substantial areas or significant landscape features. The Board will also approve the schedule of naming opportunities and the level of donation required for each upon the launching of a capital campaign on campus. Similarly, the GVR Board will consider for approval the naming of programs, funds and services in recognition of substantial financial support.

#### **1.4.5 Naming Conventions**

- A. A uniform system of signage should be adopted by GVR.
- B. Buildings and areas should have names that include their primary function:
  - 1. Special use buildings or areas such as the auditorium, sports courts, hobby shops, meeting rooms, or such, may bear the functional name separately or in combination with the donor's name (e.g., "Smith Auditorium," "Jones Pickleball Complex," "Wise Lapidary Lab").
  - 2. Outdoor areas shall bear the name of the individual and a functional description (e.g., "Hall Shaded Canopy Community Space").
- C. Plaques and signage should be tasteful, discrete and consistent with other GVR signage.

## **SECTION 5 - GVR RESERVE STUDY POLICY**

### **1.5.1 Overview**

- A. A Reserve Study is a planning and budgeting tool that enables GVR to plan for the maintenance, repair and replacement of its

equipment, facilities, and infrastructure to meet member expectations and high standards. The study accomplishes this by analyzing, quantifying and projecting costs of specific items called Components, in the aggregate called a Component Inventory, over a 30-year period and formulating a Reserve Contribution amount to pay these costs.

- B. The Reserve Study verifies the current status of the Reserve Fund and calculates a stable and equitable Funding Plan to offset the anticipated future major common area expenditures. The Reserve Study consists of two parts:
  - 1. Physical Analysis, and
  - 2. Financial Analysis.

### **1.5.2 Reserve Study**

- A. To be fiscally responsible, GVR has to answer these basic but critical questions:
  - 1. What will the cost be to maintain, repair and replace its equipment, facilities, and infrastructure to meet member expectations and high standards?
  - 2. When and to what extent will these costs be incurred?
  - 3. Will GVR have sufficient money on-hand to meet these costs?
- B. There are three (3) types of Reserve Studies:
  - 1. Full Reserve Study – Baseline, vendor evaluates all facilities, equipment and infrastructure.
  - 2. Reserve Study with no onsite visit (NOV) – GVR updates Component Inventory with changes.
  - 3. Reserve Study with an onsite visit (WOV) – Vendor reevaluates Component Inventory & updates.
- C. The Component Inventory of a Reserve Study is the fundamental data driving Reserve Study results. To maintain Component Inventory integrity, it is imperative that GVR record all maintenance, repairs and replacements to Components as they occur or new Components are added and notify the Reserve Study provider. This is especially true when Reserve Study with no onsite visit is done.
- D. Each Component must meet these four (4) criteria:
  - 1. GVR must have a duty to maintain, repair and replace it
  - 2. Limited useful life
  - 3. Predictable remaining useful life
  - 4. Exceeds a minimum dollar threshold
- E. By planning, budgeting and funding GVR maintenance, repair and replacement expenses, GVR achieves these three (3) goals:
  - 1. Sufficient cash to meet its Reserve Study Component Inventory expenses
  - 2. Achieves a stable Reserve Contribution amount
  - 3. Evenly distributes the cost to current and future members
- F. Financial Analysis: This portion of a Reserve Study determines the current status of the Reserves (measured as cash or Percent Funded) and recommends Reserve Contribution rate (Reserve Funding Plan) and the projected Reserve Income and Expense

over time is presented. The Financial Analysis is one of the two parts of a Reserve Study.

- G. Fully Funded Balance (FFB): An indicator against which Actual (or Projected) Reserve balance can be compared. The Reserve balance that is in direct proportion to the fraction of life “used up” of the current Repair or Replacement cost. This number is calculated for each Component then summed together for GVR total. Two formulae can be utilized, depending on the provider’s sensitivity to interest and inflation effects. Note: Both yield identical results when interest and inflation are equivalent.

$$\text{FFB} = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$$

Or

$$\begin{aligned} \text{FFB} = & (\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) + \\ & [(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \text{Interest Rate}) \\ & ^{\wedge} \text{Remaining Useful Life}] - \\ & [(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \text{Inflation Rate}) \\ & ^{\wedge} \text{Remaining Useful Life}] \end{aligned}$$

- H. Percent Funded: The ratio, at particular point in time (typically the beginning of the Fiscal Year), of the *actual* (or projected) Reserve Balance divided by the Fully Funded Balance is expressed as a percentage.

### **1.5.3 Annual Reserve Study**

- A. During the third quarter of the current budget year, GVR staff and the FAC shall recommend and the Board shall approve a Reserve Study provider and the type of Reserve Study to be performed during the first quarter of the next budget year.
- B. During the first quarter of each budget year, GVR shall ensure a Reserve Study is performed by a qualified, reputable Reserve Study provider with the final Reserve Study due 90 days prior to the final budget date. The Reserve Contribution amount will be incorporated into GVR’s annual budget.
- C. GVR shall annually make the Reserve Contribution to the Maintenance, Repair and Replacement Reserve Fund called for in the Annual Reserve Study.

**CPM Reorganization Tracking**  
**12/15/21 New CPM Structure Approved by Board of Directors**

2/14/23 Board Affairs Committee Approved Staff Recommendations to  
Track CPM Changes Starting 1/1/22 in this Document.

<b>Date Approved [BOD Meeting]</b>	<b>CPM Part</b>	<b>CPM Changes Made</b>
2/7/2022	<b>Part 1:</b> Membership and Facilities	<b>Approve Part 1</b>
3/4/2022	<b>Part 10:</b> Miscellaneous	<b>Approve Part 10</b>
3/4/2022	<b>Part 9:</b> Human Resources	<b>Approve Part 9</b>
3/4/2022	<b>Part 8:</b> Risk Management	<b>Approve Part 8</b>
3/4/2022	<b>Part 6:</b> GVR Programs and Clubs	<b>Approve Part 6</b>
4/27/2022	<b>Part 1:</b> Membership and Facilities	<b>Part 1, Sec 1, 1.1.7.A.1.a.</b> Return the name of the Disclosure Fee <b>to Transfer Fee</b> and <b>amend the definition</b> by defining "Transfer Fee" as follows: <i>Transfer Fees: There shall be a charge for the processing of the documents upon a change in the title of a membership property.</i>
7/13/2022	<b>Part 5:</b> Fiscal/Accounting	<b>Part 5, Sec 3, 5.3.2.C.1</b> <u>Changes in red:</u> a. Begin with the Change in Net Assets from the Audited Financial Statements. b. Deduct <b>unrealized</b> gain/losses on operating accounts. c. Deduct net investment income on Reserve Accounts / investments <b>and unrealized gains/losses</b> . d. Add depreciation expense. e. Deduct current-year purchases of Capital Assets <b>from operations</b> (cost basis, before accumulated depreciation). <del>f. Add reserve cash amounts that were used to purchase Capital Assets.</del> <del>f. g.</del> Add expenses that were paid using reserve cash (i.e., repairs and maintenance expenses paid for using MRR funds). <del>g. h.</del> Deduct <b>required</b> funding cash transfers to reserve funds during the year (i.e., required MRR funding). <del>h. i.</del> Add or deduct any other non-cash items (i.e., in-kind capital donations).
9/28/2022	<b>Part 3:</b> Committees	<b>Part 3, Sec 6, 3.6.2.A.2.</b> Change from "at least 120 days" to " <b>at least 90 days</b> " prior to the Annual Meeting to submit a slate of qualified candidates to the Board of Directors.

9/28/2022	<b>Part 2:</b> Board of Directors	<p><b>Approve Part 2 as a whole.</b></p> <p><b>* Amendment to Part 2, Sec 4, 2.4.1.A.6.b.:</b> Keep from original CPM: <i>Communicating with the press concerning a GVR matter for or on behalf of GVR, without explicit consent from the Board.</i></p> <p><b>* Amendment to Part 2, Sec 4, 2.4.1.A.6.d.:</b> Change "support" to "<b>uphold</b>":  "... Directors are expected to <b>uphold</b> duly-adopted Board decisions despite any personal disagreement therewith."</p>
10/26/2022	<b>Part 1:</b> Membership and Facilities	<p><b>Part 1, Sec 2, 1.2.2.A</b>  <del>Delete second sentence - In general, guest cards are provided for visitors who are staying in a GVR household with the member or who are staying in a local commercial hotel as a guest of the member.</del></p> <p><b>Part 1, Sec 2, 1.2.2.B</b>  <u>Change first sentence</u> - GVR Members, Assigned Members, Life Care Members and CRCF Residents may purchase one (1) annual guest card which allows for <b>four (4) adults per visit with unlimited visits.</b> <del>an unlimited number of guests and guest visits.</del></p> <p><b>Part 1, Sec 2, 1.2.2.C</b>  <u>Change</u> - GVR Members, Assigned Members, Life Care Members, CRCF Residents, and Tenants may purchase daily guest cards which allow for <b>four (4) adults</b> <del>an unlimited number of guests on a specific day.</del></p> <p><b>Part 1, Sec 2, 1.2.2.D</b>  <del>Delete second sentence - Adult guests 18 years of age and older are required to have a valid guest card when visiting GVR facilities. Multiple guests visiting the same facility may use the same annual guest card.</del></p>
11/16/2022	<b>Part 4:</b> Chief Executive Officer	<b>Approve Part 4</b>
1/25/2023	<b>Part 6:</b> GVR Programs and Clubs	<p><b>Part 6, Sec 3, 6.3.4.A</b>  <del>Remove second sentence - "Because of the organization's non-profit private club status, sales may only be made to GVR Members or their guests with appropriate GVR identification."</del></p> <p><u>Add wording to first sentence (underlined):</u> "GVR recognizes that finished craft pieces are sold through display cases in hobby shops, <u>the Artisan Shop, and other non-GVR venues to GVR members and to the public.</u>"</p> <p><b>Part 6, Sec 3, 6.3.4.B</b>  <del>Remove all of B - "Purchases from prospective GVR</del></p>



		<p>Members, accompanied by a local realtor, are acceptable, as long as the realtor is a GVR Member."</p>
<p>2/22/2023</p>	<p><b>Part 3:</b> Committees</p>	<p><b>Approve Part 3, Sec 1</b>  <b>3.1.1 <del>Terms of Board Committee Chairpersons</del></b>  <b><u>Committees of The Board of Directors</u></b></p> <p><u>C.</u> Board standing Committee Chairpersons shall remain active until the appointment of new Committee Chairpersons.</p> <p><del>Committees of The Board of Directors (updated 9/30/2020)</del></p> <p><u>A.</u> Standing and Special/Ad Hoc Committee Chairpersons must be Directors. Chairpersons shall be nominated by the President, subject to approval of the Board. <u>Each Committee will have a staff liaison selected by the CEO.</u></p> <p><u>B.</u> Each Director shall have the opportunity to, and be encouraged to, serve on at least one Committee, and not more than two (2). The Board President is ex officio to all Committees, except for Audit Committee and Nominations &amp; Elections Committee. As soon as possible Directors shall inform the President of their committee preferences and/or willingness to be a committee chair.</p> <p><u>A.-D.</u> Members are encouraged to apply for committee positions and if possible, serve for multiple years. It is recommended that chairs seek to have at least 1/3 new members each year and limit committee participation to no more than six (6) consecutive years.</p> <p><u>E.</u> The Board will establish the <del>duties and</del> responsibilities of the Committees. Each Committee shall make policy recommendations to the Board for consideration.</p> <p><u>B.-F.</u> Standing committees are suggested to be a minimum of five (5) members including the Chairperson and one other Director, and a suggested maximum of nine (9) members.</p> <p><u>C.-N.</u> Committee meetings will normally be open to all GVR Members, but may be held in closed session, at the discretion of the Committee or Subcommittee Chairperson.</p> <p><u>D.-I.</u> The President may establish Special or Ad Hoc Committees comprised of Members/Assigned Members in good standing, Directors and administrative staff <u>as assigned by the CEO.</u></p> <p><u>E.-J.</u> Committees are not required to follow Robert's Rules of Order.</p> <p><u>F.-K.</u> Meetings shall be set by the Chairperson and shall be conducted as needed, but not less than quarterly.</p> <p><u>G.</u> Committee members shall be GVR Members in good standing <u>and must submit an application for Committee appointment. , appointed by the Chairperson, and staff members selected by the CEO. The President, Chairperson, and CEO will review applications. After review of the applications the Chairperson will select Committee members and inform the Board of the appointments at the April meeting. Staff, as liaisons to the Committees, will be selected by the CEO. Vacancies on the Committee during the</u></p>

		<p><del>year may be filled by the Chairperson after consulting with the President. To the extent possible, Committees will include members knowledgeable about the functionality of that specific Committee.</del></p> <p><del>G-H. Responsibilities of Committee Chairpersons, along with Committee members and staff liaison, are to identify goals in conjunction with the Strategic Plan; provide Committee action plans to the Board for approval; provide, at least, quarterly updates to the Board; and at year-end identify accomplishments of the Committee and continuing tasks for the next year.</del></p> <p><u>L. Directors may attend any GVR Committee meeting, whether open or closed.</u></p> <p><del>H-M. To attend a meeting from a remote site, a request shall be made by email to the Committee Chairperson at least three business days prior to the meeting. Directors will be provided with All materials for the Committee meeting will be available online three (3) business days before the meeting. If the deadline for item consideration is not met, the item will be placed on the next scheduled Committee meeting agenda. otherwise provided to Committee members.</del></p>
3/22/2023	<b>Part 2:</b> Board of Directors	<p><b>Part 2, Board Credo</b></p> <p><u>Add</u> - 1st paragraph only. Full Board Credo can be found on GVR website.</p>
3/22/2023	<b>Part 5:</b> Fiscal/Accounting	<p><b>Part 5, Sec 4</b></p> <p><u>Add</u> new section - Procurement Policy</p>
3/22/2023	<b>Part 6:</b> GVR Programs and Clubs	<p><b>Part 6, Sec 2, 6.2.2.K.3</b></p> <p><u>Change</u> - 3. Non-members will pay an event fee of no more than one half of the daily guest fee approved established by the Board. Staff will work with the Clubs to establish the event fee if requested.</p> <p><b>Part 6, Sec 2, 6.2.2.K.5</b></p> <p><u>Delete</u> - 5. <del>Clubs may apply for a waiver of fees annually. The BAC will review applications to determine if fees are a hardship to the club and make a recommendation to the Board. Clubs will be notified of the Board's decision.</del></p>
3/22/2023	<b>Part 7:</b> Communications	<p><b>Approve Part 7</b></p> <p><u>Revamped</u> - Entire Part 7 (See archive CPM for previous version.)</p>

6/28/2023	<b>APPENDIX 1:</b> Board Policies	<p><b>Appendix 1, Sec 3, 1.3.5. B.1.e.1</b></p> <p><del>Remove - 1) NOTE: The below asset allocation for this fund shall not be effective until the eligible East Center Pool expenses have been paid out from this fund. The GVR CFO will promptly notify the Investment Advisor when this has occurred to authorize the reallocation of these funds as shown in the table below. Until such time, these Reserve Funds shall be invested in cash or short term fixed income investments that allows GVR access to these funds in a timely manner.</del></p> <p><del>Allocation after eligible East Side Pool expenses have been paid:</del></p>
8/23/2023	<b>Part 3:</b> Committees	<p><b>Part 3, Sec 1, 3.1.1.B, E, H, M (General)</b></p> <p><b>B:</b> 3rd sentence: Place comma after "As soon as possible"</p> <p><b>E:</b> The Board will establish the responsibilities of the Committees <del>as an advisory role to the Board for policy recommendations. Each Committee shall make policy recommendations to the Board for consideration. Committees serve in an advisory role to the Board.</del> Committees do not have authority to create policy, contract for services, expend or commit funds, or contact Board-appointed contractors such as, but not limited to, attorneys or auditors.</p> <p><b>H:</b> <del>Neither a Committee Chairperson, nor a committee may direct staff.</del> Responsibilities of Committee Chairpersons, along with Committee members and staff liaison, are to identify goals in conjunction with the Strategic Plan; provide Committee action plans to the Board for approval; provide, at least, quarterly updates to the Board; and at year-end identify accomplishments of the Committee and continuing tasks for the next year.</p> <p><b>M:</b> All materials for the Committee meeting will be available online three (3) business days before the meeting <del>except for closed meeting materials.</del> If the deadline for item consideration is not met, the item will be placed on the next scheduled Committee meeting agenda.</p>

8/23/2023	<p><b>Part 3:</b> Committees</p>	<p><b>Part 3, Sec 2, 3.2.1; 3.2.2 (BAC)</b></p> <p><b>3.1.2.1 Committee Members</b> To the extent possible, the Board Affairs Committee shall consist of the Chairperson, who shall be a Director, and GVR members who should have knowledge of Corporate Bylaws and Policies.</p> <p><b>3.2.1.2 Duties and Responsibilities</b></p> <p>A. Recommend modifications in organizational policies and governing values to help guide the Board in achieving its strategic goals. Assist the Board in effectively carrying out its governing functions in such a manner so as to clearly delineate the roles and responsibilities between governance and management.</p> <p>B. Review and recommend revisions, when appropriate, to the governing documents of The Corporation.</p> <p>C. Endeavor to maintain a community link with residents of the greater Green Valley community. <del>CEO function — Part 4, 4.1.1.D</del></p> <p>D. Review and recommend Board action on group applications for GVR “Club Status.”</p> <p>E. Where appropriate, recommend modification to GVR Club policies, in keeping with the best interest of The Corporation.</p> <p>F. Review the Articles of Incorporation, the CPM, and the Bylaws for updates and revisions. Changes may be editorial, necessary for continuity between governing documents, necessary due to changes made in Board or Committee meetings, or proposed by member input.</p> <p>G. C. Forward all BAC proposed revisions to of the Articles of Incorporation and or Bylaws to staff for submission to legal counsel for appropriate action to of governing documents to staff for review. Staff will decide need for legal counsel or to go directly to the Board for review and appropriate action. the Articles of Incorporation and Bylaws to legal counsel for legal review, editing and, opinion, including particularly concerning the any effect on tax exempt status. After consultation, the specific wording of the recommended modifications shall be Any BAC approved change to the CPM which staff determines needs legal review will also be submitted. When Should legal counsel reviews recommend a proposed revision to a governing document, it will be returned to Committee for final review before going being presented-forwarded to the Board for their review and appropriate action.</p> <p>H. Develop pro and/or con statements for ballot proposals being submitted to the membership for a vote. GVR Members are strongly encouraged to present their positions to the Committee for consideration, and possible inclusion, in the pro and con statements.</p>
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		<p><del>I. If a Committee wishes to make changes to the CPM:</del></p> <ol style="list-style-type: none"> <li><del>1. The Committee will provide a paragraph stating the purpose and goal of the proposed changes to the Board Affairs Committee (BAC).</del></li> <li><del>2. If the BAC approves the purpose and intent, BAC will forward to GVR's Legal Counsel to draft changes.</del></li> <li><del>3. The draft changes will be presented to BAC and the Committee submitting the request.</del></li> <li><del>4. If approved by both the BAC and the Committee, the draft will be forwarded as a recommendation to GVR Board for approval.</del></li> </ol> <p>D. If a committee, member or staff would like to have the BAC review a change to the CPM or other governing documents before it is taken to the Board, the requested change and rationale should be sent to the chair and staff liaison of BAC at least a week prior to the next BAC meeting.</p>
8/23/2023	<b>Part 6:</b> GVR Programs and Clubs	<p><b>Part 6, Sec 2, 6.2.1.F, G, H (GVR Clubs)</b></p> <p><del>F:</del> If the CEO agrees that the club request is in order, a copy of the club's information is given to the BAC Chairperson, for inclusion in the next scheduled Committee meeting, agenda permitting.</p> <p><del>G:</del> Representatives of the prospective club shall be invited to the Committee meeting to speak on behalf of the club.</p> <p><del>H:</del> <b>F.</b> If the BAC <b>When the CEO or designee</b> approves the prospective club for recommendation to the Board, representatives from the club shall be invited to attend the next meeting of the Board to speak on behalf of the club.</p> <p><del>I:</del> <b>G.</b> If the Board approves the request for club status, the Club Liaison will notify the Club President.</p> <p><del>J:</del> <b>H.</b> If a prospective club request is denied the CEO shall notify the Club Representative in writing.</p> <p><del>K:</del> <b>I.</b> The newly established club will operate independently of GVR but will be required to follow all rules and guidelines set forth by the Board.</p> <p><del>L:</del> <b>J.</b> The Club Liaison will retain a club file in his/her office.</p> <p><b>Part 6, Sec 2, 6.2.2.C</b></p> <p><b>C.</b> Clubs that fail to maintain at least twenty-five (25) active members jeopardize their "Club Status." If a club's membership falls below 25, the Club Liaison will contact the Club President and offer suggestions on ways to increase membership. If efforts to increase membership are not successful, the Club Liaison will advise the CEO. If necessary, the CEO will bring the issue to the BAC, who shall make a recommendation to the Board as to whether Club Status should be revoked.</p>

		<p><b>Part 6, Sec 2, 6.2.8.A</b>  <b>6.2.8 Club Reporting and Records Management</b>  <del>A.</del> All GVR Clubs are required to sign and submit an Annual Club Agreement which outlines the club’s responsibilities to GVR and what they can expect from GVR in return. If a club refuses to sign or does not fulfill their requirements, GVR may require the club to meet with the <b>CEO or designee</b>. <del>BAC</del> for review.</p>
8/23/2023	<p><b>Part 3:</b> Committees</p>	<p><b>Part 3, Sec 4 (P&amp;E)</b>  <b>3.4.1 Membership Considerations</b>  To the extent possible, the Committee will include members knowledgeable about capital projects <b>planning and evaluation processes</b> and/or experience in financial management.</p> <p><b>3.4.2 Responsibilities</b>  <del>A. To Meet quarterly, or as necessary, and to review, evaluate, and discuss recommend on an annual basis, the capital capital projects for the capital improvement plan evaluation requirements, and any documents required for club and miscellaneous planning capital projects funding requests submitted for review to the P&amp;E Committee to the Board as necessary, per the CPM.</del>  <del>B. To be knowledgeable of the Strategic Plan, and Long-term Five-Year Capital Plan, and Plan and Center Assessment Survey to ensure that all planned capital projects funding recommendations comply with these plans.</del>  <del>C. To identify issues and trends that could contribute to the update of aforementioned plans.</del></p>
8/23/2023	<p><b>Part 3:</b> Committees</p>	<p><b>Part 3, Sec 5 (Audit Committee)</b>  <b>3.5.1 Membership</b>  <b>To the extent possible,</b> tThe Audit Committee shall consist of two or more GVR members who should have knowledge of financial reporting and internal control procedures.</p> <p><b>3.5.2 Responsibilities</b>  <del>A. The Audit Committee functions in the capacity of an overseer of GVR’s financial reporting process and internal controls. The committee is the conduit between GVR and This oversight is conducted by review of the reporting and communication from a qualified the independent auditing firm. The Committee is not involved in The Corporation’s daily accounting functions.</del>  <del>B. The principal functions of the Audit Committee are:</del>  1. To recommend a CPA firm to the GVR Board to act as The Corporation’s independent auditor.</p>

		<ol style="list-style-type: none"> <li>2. To review the independent auditor’s terms of engagement.</li> <li>3. To review the results of each audit including opinion qualifications or expectations.</li> <li>4. To review the auditor’s management letter and GVR management’s response.</li> <li>5. To review issues and disputes that may arise between GVR management and the independent auditor during an audit.</li> <li>6. To review the adequacy of internal financial controls with GVR management and the audit firm.</li> <li>7. Items explicitly authorized by the Board of Directors.</li> </ol>
8/23/2023	<b>Part 3:</b> Committees	<p><b>Part 3, Sec 6 (N&amp;E)</b></p> <p><b>3.6.1 Membership Committee Members</b></p> <p><del>A. The Chairperson shall be a Director, recommended by the President and approved by the Board.</del></p> <p><del>B. There shall be at least one (1) other Director on the Committee, and a minimum of two (2) GVR Members who do not serve on the Board selected by the Committee Chairperson. Committee members shall be GVR Members, selected by the Committee Chairperson. The Committee members selected by the Chairperson shall represent various geographic areas to the extent possible. Committee members will serve a one (1) year term, provided however, any member of the Committee who becomes a candidate for election to the Board shall resign from the Committee immediately. (Part 3 Section 1: 3.1.2.A-G)</del></p> <p><del>C. An administrative staff person will serve on the Committee and will be selected by the CEO. (Part 3 Section 1: 3.1.2.G)</del></p> <p>To the extent possible, the Nominations and Elections Committee (N&amp;E) shall consist of the Chairperson, who shall be a Director, at least one (1) other Director on the Committee, and a minimum of two (2) members who shall represent various geographic areas to the extent possible.</p> <p>Any member of the Committee who becomes a candidate for election to the Board shall resign from the Committee immediately.</p> <p><b>3.6.2 Responsibilities</b></p> <p><b>A. Nominations</b></p> <ol style="list-style-type: none"> <li><del>1. Determine the qualifications and eligibility of each candidate.</del></li> <li><del>2.</del> 1. Submit a slate of qualified candidates to the Board at least ninety (90) days prior to the Annual Meeting.</li> </ol>

3. ~~Post the slate of candidates to the membership no less than ninety (90) days prior to the Annual Meeting and determine how candidates shall be presented to the membership.~~
4. ~~2. Obtain names of candidates submitted by nomination petition to the Secretary, within the deadline of sixty (60) days prior to the Annual Meeting, if any, and determine the qualifications and eligibility of same.~~ **Submit a slate of qualified petition candidates to the Board at least sixty (60) days prior to the Annual Meeting.**

**B. Election Process**

1. Recommend to the Board a record date to determine the eligible roster of voting members which shall be no more than thirty (30) days prior to the election. If the Board fails to set a record date, the record date shall be the date of ballot delivery.
2. ~~Submit the final slate of candidates for the ballot to the CEO.~~
3. ~~Establish a list of members eligible to vote as of the record date and provide this list to any outside agency conducting the election, if necessary.~~
4. ~~Establish the deadline for the return of ballots which shall be no later than 4:00pm on a date at least five (5) days before the Annual Meeting.~~
5. ~~Verify that the final ballot and ballot materials have been reviewed and approved by GVR's General Counsel.~~
6. ~~The ballot reply shall display all information deemed necessary for validation purposes for use by the Committee.~~
7. ~~Each candidate shall appoint two (2) GVR Members, who are in good standing, to participate in the validation and counting of paper ballots.~~
8. ~~2. The counting of ballots, at the discretion of the Board may be conducted by an independent organization (e.g., Pima County Elections or electronic voting firm), in which case the results shall be obtained from the organization by the Nominations and Elections (N&E) Chairperson or their representative. (Bylaws Article V Section 3)~~

3. **In the election of Directors, if there are fewer than fifty (50) valid votes separating the last successful candidate and the first unsuccessful candidate in the election, or less than a fifty (50) vote difference on any other ballot issue, then the Board may, at its sole discretion, order a recount.**

**D. C. Board Orientation & Training Election Forums for Members**



		<p>Arrange two (2) election forums for members to attend to hear the candidates answer questions arranged questions by the N&amp;E Committee and questions from the members. appropriate in-service training, as required, for the Board. Ensure that Board orientation programs are held annually.</p> <p><del>C.</del> <b>D. Election Results</b></p> <ol style="list-style-type: none"> <li><del>1.</del> The Committee shall have the validation/counting process completed at least two (2) business days prior to the date of the Annual Meeting or Special Meeting.</li> <li><del>2.</del> At the conclusion of the election, obtain the results of the election, including the establishment of a quorum.</li> <li><del>3.</del> <b>1.</b> The Chairperson shall notify the Board Secretary of the results of the election.</li> <li><del>5.</del> <b>2.</b> The Committee Chairperson shall report the establishment of a quorum and the election results at the Annual Meeting. Successful candidates shall be announced in the order of the total votes received. The results of the ballot for any other matters shall be announced in the order in which the items appeared on the ballot.</li> </ol> <p><del>D.</del> <b>Post-Election</b></p> <p>At the conclusion of the election, the ballot materials and the results thereof shall be submitted to the CEO. The CEO will maintain these records for a period not less than three (3) years in accordance with the Arizona Nonprofit Corporation Act.</p>
8/23/2023	<b>Part 3:</b> Committees	<p><b>Part 3, Sec 7 (IC)</b></p> <p><b>3.7.1 Membership</b></p> <p>To the extent possible, tThe Investments Committee (IC) shall consist of at least two GVR Members who in addition to the IC Chairperson who shall be a Director. The IC Chairperson shall be nominated by the President with Board approval. The IC chairperson and IC Members should be knowledgeable in the investment of financial assets and, to the extent practical, experienced in investment management and/or investment oversight.</p> <p><b>3.7.2 Responsibilities</b></p> <p>A. The IC has the following specific responsibilities and duties with respect to the IAs <del>GVR Board Directed Reserves and the GVR Operational Investment Accounts. These accounts include Initiatives Reserve Fund (IRF), Maintenance, Repair and Replacement Fund (MRR), Maintenance, Repair and Replacement Pools Fund (MRR B), and Emergency Fund (ERF).</del>:</p>

		<ol style="list-style-type: none"> <li>1. Make timely recommendations to the Board concerning:       <ol style="list-style-type: none"> <li>a. The hiring, termination, and replacement of the Investment Manager and/or Investment Adviser (collectively, the IM/IA) for each of the accounts that comprise <del>the the IAs</del> <b>GVR Board Directed Reserve Accounts.</b> <i>Commented [SS1]: Why doesn't this also include "Operation Investment Accounts"?</i></li> <li>b. The terms and wording for any contract between GVR and an IM/IA.</li> <li>c. The specific wording and specifications for the Investment Policy Statement (IPS) set forth in Appendix 1, Section 3 that governs each of the accounts that comprise the <del>IAs and any changes thereto</del> <b>GVR Board Directed Reserves and GVR Operational Investment Accounts.</b></li> </ol> </li> <li>2. Perform the following ongoing functions:       <ol style="list-style-type: none"> <li>a. Complete due diligence and evaluation of each IM/IA at the end of each quarter or more frequently, <del>if required</del> <b>desired/needed.</b></li> <li>b. Monitor the IM/IAs to confirm compliance with the applicable IPS.</li> </ol> </li> <li>3. Make timely reports, in accordance with the IPS, to the CFO, CEO, and the Board of the following:       <ol style="list-style-type: none"> <li>a. A serious and meaningful violation of the IPS.</li> <li>b. A potential replacement of an existing IM/IA.</li> <li>c. Any update requested by the Board.</li> </ol> </li> <li>4. Collaborate with the CEO/CFO concerning the following:       <ol style="list-style-type: none"> <li>a. <b>The invested Operational Funds regarding compliance with the applicable IPS and performance.</b></li> <li><del>a.</del> <b>b.</b> What information and analysis the CEO/CFO will provide to the IC for the purpose of enabling the IC to perform its duties.</li> <li><del>b.</del> <b>c.</b> The specific actions required by the CEO/CFO in order to bring an IM/IA back into compliance with its applicable IPS.</li> </ol> </li> <li>5. In the process of completing its duties, the IC will generate the following documents:       <ol style="list-style-type: none"> <li>a. An IPS for each of the accounts that comprise the <del>IAs</del> <b>GVR Board Directed Reserves and Operational Investment Accounts.</b></li> <li>b. An Investment Management Contract for each IM/IA hired by GVR <b>as signed and implemented by the GVR <del>CEO</del> Board President.</b></li> <li>c. Minutes of each meeting of the IC.</li> </ol> </li> </ol>
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8/23/2023	<p><b>Part 1:</b> Membership and Facilities</p>	<p><b>Part 1, Sec 1, 1.1.6.A, B</b></p> <p><b>1.1.1 Membership Change Fee</b></p> <p><b>A.</b> Upon transfer of title of a GVR membership property, the new owner shall pay a Membership Change Fee.</p> <p><b>Exemptions:</b></p> <ol style="list-style-type: none"> <li>1. The Membership Change Fee shall not apply to the transfer of legal ownership of a GVR deeded property from a trust if the resulting legal owners of the property are identical to the trustees of the trust immediately prior to the transfer.</li> <li>2. A person or legal entity who acquires ownership of a legal or beneficial interest of the GVR property resulting from death, sells it within six (6) months of the date of death will be exempt from the Membership Change Fee (and Transfer Fee) provided they do not elect to utilize the facilities or have Tenants in the property who wish to utilize the facilities.</li> </ol> <p><b>B.</b> The Membership Change Fee shall be refunded if the following apply:</p> <ol style="list-style-type: none"> <li>1. A Member has owned and occupied a GVR property within 365 days of transfer of title, provided that the Member demonstrates that she/he has moved from one owner occupied primary GVR residence to another owner occupied primary GVR residence and has presented GVR with background material showing this was a change in primary residence. <del>new owner was a GVR member within 365 days prior to the transfer of title and owns no other GVR property.</del></li> <li>2. The Member(s) has owned and occupied the GVR property being sold for at least one (1) year.</li> <li>3. A tenant card has not been issued on the property within the twelve (12) months immediately prior to the sale of the owner-occupied property.</li> <li>4. The Member(s) submit a refund request for the MCF. GVR will review the property transaction details to confirm ownership and eligibility for both properties. Refunds will be processed upon verification.</li> </ol> <p><b>C.</b> Revenue from the Membership Change Fee may be used as will most effectively further the general purpose of The Corporation to provide for current and future needs. A portion of the revenue from Membership Change Fee is to be used to fund contributions to the Initiatives Reserve Fund as determined by the Board.</p> <p><del><b>D.</b> The Membership Change Fee does not apply to the transfer of title for estate purposes (e.g., into a trust).</del></p>
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9/27/2023	<p><b>Part 3:</b> Committees</p>	<p><b>Part 3, Sec 3 (FAC)</b></p> <p><b>3.3.1 Membership Considerations</b> To the extent possible, the Committee will include members knowledgeable <del>about of capital projects and/or experience in</del> financial management.</p> <p><b>3.3.2 Responsibilities</b></p> <p>A. Review and <del>assist in presenting</del> <u>recommend</u> the annual budgets, <u>including any fees or dues changes</u> to the Board. Such review will consist of recommending <u>funding, financing, and usage of Reserves,</u> <del>the disposition of the Revenue/Expense Adjustment, and the amount of the Capital Fund Cash Account.</del></p> <p>B. Monitor progress toward achievement of annual fiscal objectives.</p> <p>C. Review financial statements, <u>such as</u> <del>(operations</del> <u>Operational Statmement of Financial Position and Statement of Activities and,</u> capital <u>purchases</u> <del>analysis and balance sheet),</del> and report to the Board, as appropriate.</p> <p><del>D. Coordinate with the GVR Audit Committee.</del></p> <p><del>E. D.</del> Review and recommend <u>to the Board</u> policy <u>changes if necessary</u> to assure financial control.</p> <p><del>F. Recommend the establishment and the amount of Tenant Fees, membership dues, Initial Fees, Transfer Fees, and assessments.</del></p> <p><del>G. Recommend the financing method to be adopted for specific major projects recommended by the Planning and Evaluation Committee (P&amp;E) for Board approval. Coordinate with the P&amp;E Committee as it relates to proposed expenditures for capital improvements.</del></p> <p><del>H. E.</del> Recommend the disposition of Operational Surplus or Deficit.</p>												
10/25/2023	<p><b>APPENDIX 1 – BOARD POLICIES</b></p>	<p><b>Sec 3, 1.3.5.E.3.a.4) and 5)</b></p> <p>3. Initiatives Reserve Fund</p> <p>a. The Benchmark for the Initiatives Reserve Fund will be a blended benchmark as follows:</p> <table border="0"> <tr> <td>1) Russell 3000 Index</td> <td>7.0%</td> </tr> <tr> <td>2) MSCI EAFE</td> <td>1.5%</td> </tr> <tr> <td>3) MSCI EM</td> <td>1.5%</td> </tr> <tr> <td>4) ML 91-Day T-Bill</td> <td><del>±</del>70.0%</td> </tr> <tr> <td>5) Bloomberg Barclays Intermediate Government/Credit</td> <td><del>8</del>20.0%</td> </tr> <tr> <td>Total</td> <td>100.0%</td> </tr> </table>	1) Russell 3000 Index	7.0%	2) MSCI EAFE	1.5%	3) MSCI EM	1.5%	4) ML 91-Day T-Bill	<del>±</del> 70.0%	5) Bloomberg Barclays Intermediate Government/Credit	<del>8</del> 20.0%	Total	100.0%
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