



January 3, 2012

NACVA Member Voting Privileges and Guidelines

NACVA BOARDS

To assure the integrity of the Association, NACVA members oversee key aspects of NACVA's Charter. The mechanism to provide member oversight consists of five boards to oversee Association activity in critical areas having the greatest impact on a member's livelihood. Most Board positions are elected by NACVA's general membership as indicated below:

BOARDS:

	# of Board Positions	# of Elected Positions	# of Assigned Positions	Term in Office	Needed for a Quorum	# of Voting Positions
Executive Advisory Board (EAB)	12	7	5	3	5	10
Valuation Credentialing Board (VCB)*	12	6	6 [†]	3	5	9 [‡]
Education Quality Assurance Board (EQAB)	12	0	12	3	5	9
Ethics Oversight Board (EOB)	8	6	2 [†]	3	5	8
Litigation Forensics Board (LFB)	12	6	6 [†]	3	5	8

* Both the CVA and AVA must be represented and be voting positions

[†] Two positions are EAB assigned

[‡] One position must be a voting non-member who represents the public

At the first of each calendar year, a Nomination Form is made available to each NACVA member to provide the opportunity to submit one nomination (a member may nominate him or herself), and to identify on which Board the nominee is recommended. Before nominating someone for a position, one should verify the person wants to be nominated and that he/she will be committed to serving on that Board for a three-year term. Encourage him or her to submit a CV or biography to headquarters for publishing on NACVA's website. After nominations are received, an election ballot will be prepared and sent to the membership for voting.

GENERAL NOMINATION/ELECTION RULES

The Executive Advisory Board (EAB) has established the nomination/election rules as follows:

1. An individual must first be a NACVA member in good standing.
2. An individual can be nominated to only one of the three member-elected Boards, currently the Valuation Credentialing Board (VCB), the Ethics Oversight Board (EOB), and the Litigation Forensics Board (LFB).
3. Candidates for positions open on the VCB, EOB, and LFB are nominated by NACVA's general membership. All positions on the Education Quality Assurance Board (EQAB) are assigned by the EAB.
4. Board positions are staggered to provide for annual rotation and to maintain continuity from year to year.
 - a. Elected terms run from June 1 to May 31 and are usually three years.
5. Elected Board members cannot serve consecutive terms on their current Board or another Board. They are required to sit out for one year. Exceptions to this rule are made when:
 - a. A Board member has served one year or less on a Board;
 - b. A Board member is elected to the EAB after serving a term on the VCB, EOB, EQAB, or the LFB;

NACVA's Certified Valuation Analyst (CVA) and Accredited Valuation Analyst (AVA) designations are the only valuation credentials accredited by the National Commission for Certifying Agencies (NCCA), the accreditation body of the Institute for Credentialing Excellence (ICE).

- c. A Board member is appointed to a newly formed Board by the EAB in the establishment of the Board and serves less than a full three-year term;
 - d. A Board member is appointed to one of the EAB-assigned positions on the VCB, EOB, EQAB, or the LFB.
6. EAB members cannot serve consecutive terms on the EAB or from the EAB to the VCB, EOB, EQAB, or the LFB.
 7. No individual can serve on two Boards simultaneously. If an individual nominated for two Boards is elected to both, the individual must select one Board to which he or she will belong. The position on the second Board will go to the individual receiving the next highest number of votes. A new election is not held.
 8. An individual nominated to one of the three member-elected Boards (the VCB, EOB, or LFB) can also be a nominee for the EAB.
 9. If a nominee is elected to both the EAB and one of the other three Boards, or that person currently sits on one of the other Boards, that individual will have to choose on which Board to serve.
 10. Seven of the 12 positions on the EAB are nominated by the members of that Board, with at least two nominees for every position opening up that year.
 - a. Three of the 12 EAB positions are chosen by NACVA’s Board of Directors, and NACVA’s President, and Vice President participate on the EAB in non-voting and advisory roles.
 - b. Past EAB members may be re-nominated by the EAB to be on the ballot, but no more than one per election.
 11. Two voting positions on the VCB, EOB, and the LFB are assigned by the EAB for terms from one to three years.
 - a. One of the positions on the VCB **must** be a non-member, representing the public and users of valuation services.
 - b. The VCB and LFB (not the EOB) can each assign up to four non-voting advisors, who must be approved by the EAB, to its Board for terms from one to three years.
 12. Resignations: When a Board Member resigns, such resignation may not be rescinded by that Board Member after it has been accepted. Such resignations can be accepted and affirmed verbally or in writing by NACVA’s President, EAB Chair, specific Board Chair, Headquarters’ Chief Executive Officer, or the Executive Director. The board position that has been vacated will go to the individual who received the next highest number of votes in the last board election. This individual will assume and complete the remaining period of the resigning board member’s term. A new election is not held.

Board Member Restrictions

Board positions are restricted to no more than one position, for all boards, from any one firm or company, including national and regional firms. Board members cannot serve on the board or ruling body of any organization that directly competes with NACVA. EAB members cannot serve on the board or ruling body of any organization that directly competes with NACVA for a period of one year after the expiration of their term. As a condition to be included on the election ballot, all members nominated to any of the Boards must sign a binding “Confidentiality and Indemnification Agreement,” which binds them to confidentiality and indemnifies them from liability should they be elected to serve on a Board.

PURPOSE AND SCOPE OF THE BOARDS

Valuation Credentialing Board (VCB)

The VCB has direct decision-making responsibility over the CVA and AVA certification criteria including: test development, testing, scoring and grading procedures, eligibility and experience requirements, CPE reporting, CPE requirements and reporting cycle, and recertification requirements. The VCB does not have the authority to create a new credential. The VCB has the authority to review the administrative procedures at NACVA headquarters (HQ) over the testing and recertification processes. VCB directives in these regards are made to the

Executive Director. If the Executive Director does not comply, the VCB has the authority to take the matter to a higher level, that being the CEO or Board of Directors. The VCB, at its discretion, may evaluate other organizations' testing processes and evaluate new technology and approaches to testing methodologies in order to maintain the highest quality standards in NACVA's certification process. The VCB has no direct responsibility for education. The VCB is responsible to uphold the mission of the valuation certification program.

Education Quality Assurance Board (EQAB)

The EQAB has the responsibility for ensuring the education provided by NACVA meets acceptable established levels of quality by developing evaluation criteria for the educational materials, conducting peer review programs, assisting with the development and advancement of innovation and advanced education throughout the organization, academia, the U.S., and beyond. In addition, this Board is charged with maintaining and incorporating changes in the industry, identifying new authors, instructors, course developers, and making overall improvements to the quality of education that NACVA offers its members and the public. The EQAB also oversees and manages the effectiveness of the 100-member Course Review Committee and the process in which they review each of our 80+ courses for style, content, educational quality, and technical accuracy.

Ethics Oversight Board (EOB)

The EOB is charged with the monitoring of NACVA's membership with regards to ethical and professional standards. The EOB's responsibilities include creating policies for educating, monitoring and enforcing compliance. The EOB's duties also include facilitating awareness and enhancing the membership's understanding of NACVA's standards, and when necessary investigating and determining whether a member or members have violated NACVA's Standards. Any Standards recommendations and issues that fall under the scope of this Board should be submitted, preferably in writing, directly to the EOB Chair. A copy of the EOB's Policies & Procedures Manual can be found on NACVA's website at www.nacva.com.

Executive Advisory Board (EAB)

Although the EAB does not make decisions on matters that fall under the scope of the VCB, EOB, EQAB, and LFB, it must ratify decisions of these Boards that fall outside the scope of the Boards stated purpose and mission in order for the decisions to be acted upon by the Association. The EAB does have decision-making authority over matters pertaining to education and credentialing which fall outside the scope of the VCB and LFB. The EAB has the authority to appoint or establish various NACVA committees and task forces and has, with approval from the Board of Directors, the authority to define the purpose and mission of the Boards when needed and justified to better serve the changing and evolving needs of the Association. Further, the EAB may propose to the Board of Directors the creation of new Boards to serve specific functions to better serve the changing and evolving needs of the Association. The EAB takes part in strategic planning for the Association, working with NACVA's Board of Directors and provides creative and informative oversight and guidance to the VCB, EOB, EQAB, and LFB.

Litigation Forensics Board (LFB)

The LFB has the responsibility of evaluating the content of NACVA's litigation and forensics-related curriculum to provide assurance course content remains objective, technically and fundamentally sound, and presents information in a proper perspective giving consideration to course objectives, credentialing requirements, time limitations, and other relevant factors necessary to the creation and development of a well-rounded and substantive training program. The LFB's responsibilities are further expanded to oversee credentialing criteria, both pre- and post-requisite, for NACVA's Certified Forensic Financial Analyst (CFFA) designation. This includes testing and grading procedures, experience requirements, reciprocity and recognition programs, quality and/or peer review, and recertification.

Other Elements Pertaining to the Boards

1. The EAB is accountable to NACVA's Board of Directors, whose composition is determined by the shareholders of NACVA.
2. The Board of Directors has the ultimate veto power over changes approved by the EAB but must report its decisions to reverse EAB decisions in the *Association News* within 60 days of the veto.
 - The EAB and the Board of Directors cannot initiate changes that fall under the purview of the VCB, EOB, EQAB, and LFB, other than by suggestion.
 - The EAB and the Board of Directors each have the authority to request a survey of the membership.
3. Each Board votes on its own Chairperson and Secretary.
 - Board members can serve as Chair for one year during their term.
 - Second terms as Chair are subject to EAB approval.
4. The determination of fees and charges remains under the purview of the Board of Directors.
5. The shareholders of NACVA can sit on the VCB, EOB, EQAB, or LFB, or they can have a representative present at the meetings, in a non-voting capacity.
 - NACVA headquarters may also assign a representative(s) to attend meetings of the Boards, in a non-voting capacity.

Board Member Responsibilities

It is important to note that Board positions are voluntary. Minimum expectations are provided to assure interaction between members, keep Boards on a forward-moving path, provide a structure for carrying initiatives to conclusions, and keep members involved by giving them a voice in Association matters. Individual Board member expectations are as follows:

1. Commit to spending at least 40 hours on Association matters per year.
2. Attend NACVA's Annual Consultants' Conference.
3. Participate in ALL Board conference calls/meetings (generally held on the same day/time each month).
4. Act as a liaison to at least one other Board or Committee.
5. Contribute to one Board Update article per year for publication in the *Association News*.
6. Each fiscal year, Board Chairs should create their own set of Board expectations that could be added to this list. This could also include yearly goals. The expectations for EAB members is 80 hours per year and requires participation in monthly conference calls/meetings and usually one face-to-face meeting per year.

Board Member Benefits Package

Board members will not be compensated for their position and will have to pay out-of-pocket expenses for travel, lodging, phone, and postage. However, NACVA does provide the following benefits package for Board members during their term(s):

1. Membership dues are waived (Free) for each year served, plus, board members receive a considerable discount off the annual fee when they subscribe to KeyValueData.
2. Fifty-percent (50%) discount off Registration fees to attend NACVA's Annual Consultants' Conference **instead of** the standard 10% member discount and **any additional discounts** such as early registration. (This discount does **not** apply to other webinars or training programs sponsored by NACVA. The conference is usually held in late May or early June each year.)
3. Board members receive a 20% discount off all other NACVA products, webinars, programs and services instead of the standard 10% member discount, but only off of products, webinars, programs and services where the 10% member discount is applicable.

4. HQ will pay for all NACVA Board member conference calls so long as a quorum and a NACVA staff member are present and complete minutes of the meeting are taken and provided to HQ and the EAB liaison following each meeting.
5. In each issue of the *Association News*, we will briefly profile individual members of each Board, assuring that everyone is profiled at least once during his/her term.
6. Board members can use the *Association News* to announce their upcoming speaking engagements.
7. Board members can use NACVA’s “toll-free product/services information” line when calling HQ. That number is (800) 677-2009.

NACVA Board and Committee Organization Chart

