



CALIFORNIA ASSOCIATION OF REALTORS®

Summary of 2007 Program Budgets

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SECTION I – PROGRAM BUDGET AUGMENTATIONS

CALIFORNIA REALTOR® EXPO: One Day Symposium

A. 2007 Objectives

1. In conjunction with Media Relations, develop a one-day symposium on the changing real estate market. Topics to consider for inclusion: updated housing market forecast; the legislative arena and real estate; the changing legal landscape and its impact on the housing market etc; how to work with consumers during changing times. C.A.R. also will release a white paper of the housing market at this event.
2. Provide an event for 300 local C.A.R. members at \$99 with lunch included.
3. Provide a luncheon for 325 attendees
4. Provide Corporate Sponsorships of \$75,000
5. Investigate the feasibility of providing a northern and southern California Symposium.

B. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$108,400
Total Cost	\$68,500
Net	\$39,900

COMMUNICATIONS: CONSUMER INFORMATION

A. 2007 Objectives

1. Develop a series of consumer-centric materials for REALTORS® to incorporate into their listing presentations. Explore options to co-brand materials with agents and brokers and make available online for distribution.
2. Explore and implement multiple language versions as feasible.
3. Develop an online component that enables consumers to easily obtain this information. This will further position C.A.R. as a credible entity with respect to providing unbiased information on housing, and will increase C.A.R.'s brand awareness with consumers.
4. In conjunction with Media Relations, explore ways to disseminate consumer content contained in these materials via the general media.
5. In conjunction with Housing Opportunity Program, create a supplement to the Housing Opportunity Toolkit that provides information to local REALTORS® on the available resources that can be accessed to assist First Time Homebuyers. These materials will be made available for distribution through the local associations in addition to its availability online in a downloadable format for REALTOR® members.

B. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$87,500
Net	(\$87,500)

COMMUNICATIONS: VIDEO CONTENT**A. 2007 Objectives**

1. In addition to the base level of 10 videos with the Communications program, produce an additional 14 videos, and distribute via new and existing online vehicles.
2. Create an implementation schedule of videos to ensure appropriate coverage of hot issues, and promotion of key C.A.R. and subsidiary programs.

B. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$33,200
Net	(\$33,200)

WINFORMS®: FORMS® ADVISOR**A. 2007 Objectives**

1. Create a *WINForms® Advisor* application to allow California REALTORS® to select the best possible real estate forms by answering a series of questions regarding their transaction. It assists new and tenured agents to make the right decisions, reducing risk. Other objectives of this software product are described below:
 - a. Complete the requirements definition of a new California-centric forms advisor product to allow members to select "What forms should they use?" by Q1 2007.
 - b. Identify who will provide the subject matter expertise (e.g. C.A.R. Legal, customers, brokers) by the Q1 2007.
 - c. Work closely with focus group and subject matter experts (C.A.R. Legal, brokers, customers, agents, and WINForms® Users Advisory Group) to gather user requirements with respect to what forms to be used statewide and locally by Q1 2007.
 - d. Resolve potential liability questions resulting from the programmatic "advise" by Q1 2007.
 - e. Recruit third party vendor to program this application by Q1 2007.

- f. Determine a deployment methodology by Q1 2007.
- g. Work with developers to create a software application to meet these requirements by Q3 2007. Ideally, the application will allow brokers to define their own logic paths and to add their own forms into the decision tree by Q3 2007.
- h. Test, refine and validate the software application based on its Test Plan by Q4 2007.
- i. Define the contents of the second release by 2007.
- j. C.A.R. will release this software by Q1 2008.

B. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$60,000
Net	(\$60,000)

SECTION II – COMMUNICATIONS

CALIFORNIA REAL ESTATE MAGAZINE

A. 2007 Objectives

1. To educate and inform members about the changing market, develop various publication initiatives including:
 - Themed issue on how to deal with a changing market (March 2007)
 - “How-to” set of articles covering such topics as “how to price a home, how to deal with short sales and other market-related scenarios,” and “how to deal with buyers.”
2. Develop a Special Reports series focused on broad category areas either covered in previous issues of the magazine or produced in conjunction with magazine content. One example may be the development of a special annual summary of legal/legislative items; another might be a compilation of roundtables. This series will extend the magazine’s brand and leverage existing content to provide greater informational value to readers. Polybag with two issues of the magazine.
3. Conduct a comprehensive redesign of the publication. Utilize results of focus groups conducted in 2006 as well as additional market research to reformat the publication.
4. Expand the newly redesigned RET2 publication to twice annually in 2007. This publication was redesigned in Nov. 2006, and its content broadened beyond technology to include coverage of nationwide industry trends.
5. Provide articles on how to deal with changing consumer demographics, and how to educate consumers about a changing market.
6. To assist the Association in addressing the needs of its diverse membership, publish content addressing the informational needs of commercial practitioners. Such commercial-specific content will be part of at least one Legal and one Legislative column.
7. Explore the feasibility of implementing a special section or supplement targeting top producing agents. The execution of this product will be largely dependent on whether a database of top producers is able to be procured.
8. Develop a 24-page special section geared to new members, with content designed to provide new members with the information they need to succeed as new REALTORS®, and to position C.A.R. as the central resource for real estate information, products, and services. Due to significant advertising increases in 2006, this section grew from a 16-page insert to a 24-page insert. This section will be published in April 2007.
9. Develop one special 36-page section for brokers/managers in conjunction with the August issue of *California Real Estate* magazine. Due to significant advertising increases in 2006, this section grew from a 16-page insert to a 36-page insert. This section will be inserted and distributed to approximately 30,000 brokers/managers and will contain information pertinent to the brokerage industry.
10. Provide information on C.A.R.’s housing affordability initiatives; devote a special themed issue to housing affordability in June 2007.

11. Increase annual advertising revenues by 7 percent over 2006 actual revenues. Continue to move the magazine in the direction of selling across media platforms by promoting an integrated sales effort between the magazine and other online vehicles. Continue to refine new integrated sales/marketing procedures and pricing to enable combination-sales of magazine and online vehicles.
12. Explore ways to increase referral and classified advertising in the magazine. Implement a new online referral/classified section within the magazine section of C.A.R. Online (car.org), and develop a new pricing structure to reflect this addition.
13. Attend 4 local association level trade shows to generate advertising leads and become familiar with other potential advertising customer sectors. Increase the level of trade show participation on the part of the existing magazine salesperson and the new salesperson to establish stronger relationships with these customers.
 - a. In conjunction with Accounting, implement a new back-end billing system in order to integrate accounting practices for the EXPO, magazine, online sales, and the affinity program. The implementation of this system will enable consolidation, tracking of accounts across programs, and integrated reporting of revenues.

B. Three Year Direction

CRE magazine continues to be among the most highly ranked and recognized member services. It is the premier business publication chronicling the California residential real estate industry and its players.

As a central point of communication from C.A.R. to its members, *CRE* magazine is well positioned to deliver information about the Association's key objectives as well as information readers wish to read. In 2007, CRE magazine will cover the following topics: How to deal with a changing market, how to work with consumers, how to utilize technology to maximize success in real estate, plus: emerging business models, ethics and professionalism, housing affordability issues, member specialization, market trends, financing options, legal/risk management issues, personal finance issues for REALTORS®, insurance, hot products, technology hotline, and more.

The challenge, in the years to come, is one faced not just by *CRE* magazine, but also by other media as part of an increasingly information-rich/cluttered world. As competition for the viewer's attention increases, the challenge will be to find ways to strengthen the editorial product and, therefore, the reason for readers to continue to seek out the magazine for relevant information.

CRE magazine continues to conduct independent reader surveys every few years, and continues to be an audited publication bi-annually. In 2006, focus groups were conducted in order to better assess member interest in various topics and augment the independent reader surveys CRE magazine has conducted for several years. The combined results of these surveys are to be used to guide the magazine through a full redesign in 2007. It will have been more than seven years since the last redesign in October 2000.

It is anticipated that the redesign, along with a realignment of columns and features as required by a changed reader environment, will better position the magazine for future success. The magazine generates a substantial amount of revenue, which covers the full costs of its production. As such, it is a regular and highly cost-effective means of communication with members, as well as a tangible member benefit.

For the three-year horizon, the magazine will move towards extending its franchise and brand equity in a variety of ways, leveraging not only the rich repository of C.A.R. content but also working in concert with new communication media to effectively cross-market to members. Placing more of an emphasis on presenting articles online and selling advertising sponsorships linked to those articles is one such example. Another involves repurposing existing magazine content into new formats, such as the Special Reports series (Objective #2), and delivering content in other formats, such as pod casts, videos and via mobile applications.

Since its inception in 1996, *RET* magazine has continued to evolve as a national brand. In November 2007, *RET* magazine underwent a full redesign and repositioning in order to make it more current and relevant to a wider audience. As such, it was renamed *RET2*, Real Estate Trends + Technology. By so doing, the publication’s focus has been expanded to include not just real estate technology but also nationwide industry trends. It is anticipated that this broadening of subject matter will appeal to readers who don’t necessarily want an entire issue devoted to technology, and also to a more diverse array of potential advertisers. Though only one publication was produced in 2006 to allow for work on the redesign, *RET2* will resume its regular schedule of two issues in 2007.

To build on the momentum of the new publication, it will be important to link the publication more closely with online ventures. As such, the development of a strong online presence should be considered, and the implementation of *RET2*-branded tech section should be considered in conjunction with global Internet efforts being developed for the organization. The opportunity to maximize and integrate advertising between magazine and online is particularly strong with this brand. During the initial years of the technology boom, *RET* magazine was able to capitalize on growth in this sector. Despite the lag in technology spending during the past few years, *RET* has managed to remain a viable publication.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$2,662,900
Total Cost	\$2,851,000
Net	(\$188,100)

CALIFORNIA REALTOR® EXPO

A. 2007 Objectives

1. As the only major annual Association event, the EXPO will provide information as it relates to C.A.R.’s specific 2007 organizational objectives, including the latest technological advances in real estate, the consumer advertising campaign, diversity issues and others through the delivery of seminars and educational programs.
2. Provide for a trade show with 340 exhibit booths to bring a wide variety of real estate information, products and services before 9,000 Association members. Work with interested local Associations to combine efforts in order to increase the benefits available to all members. Continue to focus resources on selling exhibit space and contacting and developing new prospects. Increase use of Internet for selling and information provision to exhibitors and prospects.
3. Provide Corporate Sponsorships of \$632,000. In conjunction with Association-wide marketing efforts, create incentive pricing and sponsorship packages for major account customers.
4. Continue to refine the online registration process in order to more successfully pre-register attendees and capture e-mail and other member demographic data. Continue to utilize a registration database/lead retrieval system with the goal to eliminate excessive, long lines. As part of the online registration process, utilize online research tools to survey EXPO attendees and exhibitors to quantify EXPO attendance and demographics.

5. In conjunction with Communications, conceptualize and process the creation of EXPO seminar content in order to enhance the quality, create new types of content, and secure new speakers for various panels and sessions.
6. Plan a pre-EXPO, one-day comprehensive program of technology-focused training for 1,000 people and set fee for this event. Continue to enhance this event by securing quality, top name real estate technology professionals as speakers. This program will include the following:
 - One general session
 - Hands-on computer training
 - Seminars focused on latest technology tools in real estate
 - A forum for comparing like-products via a “shoot-out” session
 - Notebook with handouts for Tech Tuesday attendees
 - Two sponsored refreshment breaks
 - One luncheon
 - Grand opening of the exhibit hall
7. Plan an educational program to run concurrently with the trade show and continue to offer the trade show as a free member benefit to members. EXPO will include:
 - Two general session Luncheons with keynote speakers
 - Limited variety of breakout seminars
 - Hands-on computer training
 - Evening Reception
 - Two sponsored refreshment breaks
 - Two prize give-away receptions
8. Develop and implement a special track of sessions targeted at brokers.
9. Investigate and implement, if feasible, a new pricing structure for Tech Tuesday and EXPO, and investigate restructuring pricing to add a minimal entrance fee and/or provide added value and implement. A minimal fee may be added for seminars providing continuing education or other special educational incentive. Enhance quality of EXPO speakers in order to improve the “draw” to this event and provide members with greater value.
10. Conduct an online survey where members will determine if seminars offered during Tech Tuesday and EXPO educational sessions are a viable product.
11. Provide a two-day trade show in conjunction with June Sacramento Business Meetings to feature an exhibit hall with 125 exhibit booths to attract 2500 members at no cost to members.
12. Explore the potential for alliances with other successful real estate conventions and real estate-related groups to strengthen the EXPO, enhance diversity among the attendees and, increase the attendance and pool resources. Such groups would include Pacific Coast Builders Conference (PCBC), Apartment Association, Southern California Cities and others.
13. Explore the feasibility of extending an invitation to include other state associations: Arizona, Colorado, Hawaii, Utah and Nevada and create marketing and promotional incentives with this group.
14. Foster the relationship with REBS and its subsidiaries as well as C.AR.’s Membership, Education, Scholarship, Commercial Investment and Communications Committees to develop educational seminars and programs to enhance membership benefits to EXPO attendees.

15. In conjunction with Accounting, implement a new back-end billing system in order to integrate accounting practices for the EXPO, magazine, online sales, and the affinity program. The implementation of this system will enable consolidated tracking of accounts across programs, and integrated reporting of revenues.
16. In conjunction with the Membership Development Program and the Commercial Investment Committee, plan a one-day Commercial event during EXPO.
17. Develop and plan a New Agent Day in conjunction with EXPO and Tech Tuesday Program.
18. Create an EXPO track to focus on the changing real estate market.
19. In conjunction with Meeting Services, explore the feasibility of combining EXPO Registration and housing as part of the online registration process.
20. Explore the development of a centralized database to include EXPO attendance history enriched with info from NAR/NRDS and other sources on individual members/attendees, so as to 'personalize' the experience of each member.

B. Three Year Direction

Over the three-year horizon, the EXPO program will focus on enhancements in four major areas:

1. Increasing overall attendance
2. Improving the quality and breadth of the program
3. Focusing on specific member segments, such as brokers and commercial practitioners, by offering specific educational tracks
4. Adding a mini trade fair in Sacramento to enhance C.A.R.'s visibility in Northern California during the years C.A.R.'s EXPO will be in Southern California. To increase the stature of the EXPO as a premier member conference, it will become imperative that the content be of a sufficiently high caliber to draw an increasingly professional and larger audience. As such, in 2005, the communications function began the process of working on EXPO seminars to organize seminar content and panel discussions. It is envisioned that the closer ties between EXPO and magazine staffs will result in a product that is even more attuned to industry events and news. Beyond content, however, the EXPO program will need to re-assess its logistical options as the number of attendees continues to grow and the need for more facilities and services becomes more pressing. This will be done in conjunction with the Meeting Services function.

In tandem with the above, the EXPO program will continue to explore the feasibility of combining the EXPO with other Western states, and/or working to expand the existing EXPO program by incorporating other newly created events such as an executive retreat or a specific track for top producers.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$1,541,500
Total Cost	\$1,618,300
Net	(\$76,800)

CALIFORNIA REALTOR® SHOWCASE/NORTHERN CALIFORNIA VENDOR FAIR

A. 2007 Objectives

1. Plan a trade show with 125 exhibit booths to attract 2500 members in Northern California.
2. Plan Showcase in conjunction with the existing Business Meetings held in Sacramento, CA.
3. Add a luncheon on Thursday to attract 800 participants with a program that provides a regional real estate market forecast
4. Explore and implement, if feasible, moving registration to an online centralized database for general registration and ticketed events.
5. Develop relationships with local Sacramento newspapers and radio shows to promote and market the Showcase.
6. Explore the feasibility of working with the local association of REALTORS® to create a partnership for educational seminars, exhibitors and sponsorships to increase attendance to Showcase.

b. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$206,900
Total Cost	\$151,800
Net	\$55,100

C.A.R. MEMBER ADVANTAGE

A. 2007 Objectives

1. To assist members with the changing market, seek new partners who provide products and services that specifically enhance member productivity and efficiency. Focus on adding more nationally branded vendors and vendors who provide leading edge technology solutions.
2. Increase royalty revenues by 10 percent over 2006 actuals. Increase marketing participation by 10 percent over 2006 actuals.
3. Implement new quarterly e-mail marketing program to highlight one to two partners per e-mail. This effort will generate additional marketing revenues.
4. Solicit proposals and negotiate contracts from vendors to provide products and services to members at favorable rates, which typically would not be available without the benefit of Association membership. Add two additional vendors per quarter in 2007.
5. Foster an atmosphere of cooperation with NAR and local associations involving our array of Member Advantage products/services, including partnering with them on possible future products and services, as is currently done with insurance programs. Re-evaluate the current partnership with NAR to negotiate an annual contract.

6. In order to increase awareness and overall usage of the Member Advantage Program (MAP) by 25 percent, continue marketing efforts including special inserts/flyers about the program, more prominent communication utilizing C.A.R.'s existing media vehicles, and raffles/contests to encourage usage.
7. Work with Research and MAP partners to devise more robust mechanisms to assess member awareness and usage of the MAP program.
8. Capitalize on the potential of the integrated sales force inclusive of staff from the magazine, online, EXPO and affinity programs to maximize C.A.R. revenues and cross-functional efficiencies. Create a synergistic selling environment among the major revenue-generating programs through improved lead-sharing, and proactive management of C.A.R. accounts as identified by their strategic importance and overall financial contribution. Develop new programs for cross-selling, bundling and group sales in order to enhance revenues.
9. Work in conjunction with the Strategic Defense program to manage endorsed E&O insurance program. Manage health insurance and related products endorsement and continuing relationship for the benefit of members.

B. Three Year Direction

The Member Advantage Program has expanded with the addition of nationally branded vendors and is expected to show continued growth in the upcoming years. For 2007-2009 the addition of business applications and technology partners will further enhance member productivity and encourage usage of the program. Like many other affinity efforts, this program is structured as a service to members first, and secondarily, to provide a revenue stream for the Association. The program is designed to provide members with discounted pricing on products and services, as a benefit of Association membership.

In order for this program to grow, it is critical that a concerted marketing effort be undertaken and sustained. It is envisioned that, in 2007, such an effort will be continued and the results evaluated in terms of usage and awareness. Communication will be increased in all C.A.R. vehicles, and new stand-alone marketing efforts will be executed. The ability to generate royalty revenues will be accomplished through increased usage, and the ability to increase marketing revenues will be accomplished by increasing partner spending via C.A.R. marketing venues, such as online vehicles, the magazine and the Expo.

Since many organizations and franchises offer similar discount programs, it will be necessary to find ways to differentiate C.A.R.'s program so members utilize C.A.R.'s partners. One such concept involves donating a portion of royalty profits to a charitable entity. Not only would this benefit the recipient organization, but it also will provide an additional impetus for members to consider using this program.

To keep the Association's costs to a minimum, and to comply with recent court decisions regarding taxability of revenue from Member Advantage relationships, it is anticipated that involvement will be limited to (1) providing the opportunity on a limited basis for approved vendors to send mailings to our membership, allowing these vendors to use the Association's and/or the new Member Advantage logo on printed materials specific to the Member Advantage program and (2) educating our members concerning the benefits of the program to their professional and personal lives. The Association will continue to look to its Member Advantage vendors for additional revenue to finance other products/services of C.A.R., such as a Rolodex card, EXPO booths and sponsorships, magazine, on-line advertising, and the member benefit envelope contents.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$670,000
Total Cost	\$406,500
Net	\$263,500

COMMUNICATIONS**A. 2007 Objectives**

1. Develop varied multi-media initiatives utilizing emerging technologies to communicate association and subsidiary information and enhance C.A.R.'s online presence. These might include pod casts, web casts, web seminars, RSS feeds, blogs, text messaging, etc.
2. Develop a slate of video programs to educate members on a variety of business topics as well as inform them about C.A.R. and subsidiary initiatives. Enhance videos with custom messaging and distribute via existing and new online vehicles.

Example of video topics:

- How to conduct a proper visual inspection
 - Risk mitigation series of three videos (legal dos & don'ts, forms highlights)
 - Economic data
 - Dealing with buyers
3. Develop a comprehensive plan to market and communicate the range of services available to members from C.A.R. Legal. Examine and implement, if appropriate, a new branding strategy, new legal communications, and new legal products by March 1, 2007.
 4. Create new communication standards and protocols for the utilization of new media throughout the Association. Add components to existing usage standards.
 5. Implement new tracking system to measure viewership and usage of communications that utilize new technologies.
 6. In conjunction with the Internet development team, begin work on a multi-year objective to fully reformat and redesign C.A.R.'s online presence, notably the primary web site, C.A.R. Online, but inclusive of the Association's other web sites as well. With appropriate staff and external sources, develop and implement a strategy that may encompass a new online identity, new content as required, new protocols as required by the implementation of a new back-end content management system, and a robust advertising mechanism that enables maximization of the web site for revenue generation purposes.
 7. Produce communications to educate members and consumers about the cost-efficient deployment of internet advertising.
 8. Increase C.A.R. Online revenues by 25 % over 2006 actuals. Integrate the sales effort by utilizing a consolidated selling approach that includes Affinity, Magazine, EXPO, and other online vehicles. Explore opportunities to create sponsorships of new online features like web casts. Begin to compile an advertiser database specifically for the site.

9. In conjunction with EXPO, develop collateral materials to promote the Sacramento trade show, REALTOR® Showcase, now in its second year. Increase level of marketing to increase attendance by 25% and increase visibility of this new program.
10. Develop promotions to increase awareness of the Strategic Defense program, as needed.
11. Brand and promote C.A.R.'s "Client-Direct" consumer e-newsletter, to members as well as to non-members nationwide to encourage purchase of this product.
12. Track all marketing/communication items sent to various constituencies, and provide quarterly usage reports. These include all materials distributed via outreaches, at the EXPO, via direct mail, and at other meetings.
13. Enhance the issues-based tracking system to ensure that Association mega-issues are being appropriately and adequately covered in all Association publications and other communication vehicles.
14. In order to drive traffic and increase usage of the Technology Hotline, implement a variety of promotional activities, such as producing magazine advertising, coordinating a contest, and development promotional collateral for the EXPO.
15. In conjunction with EXPO, begin the process of conceptualizing and coordinating seminars in order to strengthen the quality and breadth of content offered at the EXPO. At least half of all EXPO seminars will be developed and facilitated by the communications function.
16. In order to create awareness of C.A.R. with multiple audiences and continue to reinforce the value of membership, encourage utilization of the Association "kit" throughout all levels of the organization. This comprehensive kit presents the Association in a cohesive fashion. Elements of this kit will be used during outreaches, at Directors' meetings, at various trade shows, to potential clients, and via *CRE* magazine.
17. Produce "C.A.R.-at-a-Glance," a reference guide to C.A.R.'s and REBS' services, benefits and products. The guide will be sent to all members with the January/February 2007 issue of *California Real Estate* magazine, to local associations for new member orientation, and to new members.
18. Promote EXPO, Affinity, and the magazine at various tradeshows attended by sales staff since C.A.R. often purchases a table or booth at these tradeshows.
19. In keeping with the Association's prior efforts to systemize and standardize branding, marketing and communications efforts, develop an internal marketing/communications program to educate C.A.R. staff on the protocols, standards, and value of marketing activities conducted for various programs. This effort would be disseminated to all staff, and in particular, to all new staff on an ongoing basis with the assistance of the Human Resources department.

B. Three Year Direction

Over the next three-year horizon, C.A.R. will work toward developing a leading-edge Internet-centric communication platform. A comprehensive re-engineering of the primary web site, C.A.R. Online, will begin in late 2006 and will require a multi-year commitment. From the user perspective, it will be important to focus on three primary areas: content development, content delivery, and marketing/advertising. As changing demographics and a changing marketplace require increased efficiency in terms of communicating messages and information, C.A.R.'s online presence will need to become more robust and flexible in order to meet a variety of member needs and association priorities.

In addition to front-end redesign and reformatting of the C.A.R. Online website, C.A.R.’s overall web presence, inclusive of more than 10 other web sites, also will be impacted by back-end consolidation initiatives. The communication program will support those initiatives and provide information and education to staff and other audiences, as required.

Prior to the execution of these longer-term objectives, the C.A.R. web site will continue to implement an array of new multi-media features plus offer a greater variety of interactive content, such as blogs, surveys, and contests in 2007.

The Communications function will focus on communicating the value of membership to our various member audiences, as well as the value of using a REALTOR® in the transaction. Efforts to increase the Association’s brand identity and affiliation with members will be undertaken on a company-wide basis, resulting in collateral that can be utilized broadly by a variety of C.A.R. departments. Ongoing refinements to regular communications vehicles will be implemented based on survey data.

The role of marketing/communications within C.A.R. will continue to develop as this department begins to meet an increasing number of marketing needs throughout the organization. Communications continues to build an infrastructure that supports a variety of C.A.R.’s promotional needs and supports C.A.R.’s core objectives. Additionally, the Communications function will take the lead in ensuring that all of C.A.R.’s communications methods are conducted in a manner consistent with established policies and standards. It is envisioned that the Communications function will move toward becoming the central point of contact and coordination for C.A.R. communications efforts. Ongoing methods to systematize communications processes will be continuously implemented to meet this objective. Additionally, in conjunction with Research and Economics, Communications will monitor the end-user value of all major communications on an ongoing basis.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$153,200
Total Cost	\$678,900
Net	(\$525,700)

CONSUMER ELECTRONIC NEWSLETTER

A. 2007 Objectives

1. To improve the quality of this newsletter and increase the relevance to various markets nationwide, add new types of content to the existing mix, including regional information, commercial articles, and national research. Additionally, integrate state-specific content with sales/marketing efforts as required, and continue to provide state-specific content once a critical mass of subscribers within a given region exists.
2. Develop a print component to this newsletter.
3. Explore and implement if necessary a marketing assistance program to states interested promoting and selling the product to their members. Institute this initiative in concert with other sales initiatives, and provide appropriate incentives to partner states. Provide customizable collateral, such as fill-in-the-blank articles, as part of a cooperative effort to promote the newsletter via other states’ communication vehicles.

4. In conjunction with REFN staff, implement a joint effort to increase the subscription base nationwide by 10% of potential ZipForm® customers. The newsletter will be sold to other states as part of a bundled package with ZipForms.
5. Conduct separate marketing activities to encourage individual sales nationwide, such as participating in NAR Expos, conducting online sales promotions, and placing advertisements in state association publications nationwide. Increase individual subscriptions by 125% over 2006 actuals of existing subscribers nationwide.
6. Implement a quarterly email communication initiative to serve as an instructional guide for subscribers. Tips on how to size photos, add new content and use as a marketing tool are some of the topics envisioned.
7. Continue to improve upon back-end systems required to support the smooth operation and scalability of this product. Work with IT, accounting and customer service staff to make refinements as needed.
8. Continue with a two-pronged marketing plan to increase awareness and usage of the product. Marketing efforts will continue to target C.A.R. members to increase the subscriber base by 10% in 2007. A separate set of marketing collateral, developed in 2006, will be used to secure subscribers in other states. Additionally, marketing efforts will be implemented as needed to secure advertising revenues.
9. As feasible, refine the look and content of the ClientDirect™ product to more closely align with desired branding objectives. This may involve renaming the product and/or redesigning the identity graphics. This may also involve incorporating additional space for advertising.
10. As feasible, and in conjunction with the IT department, improve on the functionality of the product.
11. Explore the feasibility of co-branding this product with local associations, brokerages, or other groups, such as the commercial subspecialty.
12. Survey California subscribers and consumers to assess attitudes toward the product by Q3. Survey nationwide as feasible and after the newsletter has been in use for at least one year.

B. Three Year Direction

None

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$59,700
Total Cost	\$104,100
Net	(\$44,400)

HOMEWORDS

A. 2007 Objectives

1. Based on the ongoing success of this program, continue with the Homewords™ program statewide at the current (2006) level of market penetration.
2. To better serve the large Southern California market, coordinate and implement one large essay contest within the Los Angeles Times' market area.
3. Communicate highlights of the program, encourage usage, and promote the program to members in order to provide tangible examples of community outreach by the C.A.R.
4. In conjunction with the media relations function, implement a media relation's effort to publicize the program to consumers and other member constituents.

B. Three Year Direction

Results from the 2005-2006 Homewords™ program continue to be extremely positive and show increased reach: 3,200 teachers used the program in 8,500 classrooms; and 320,000 students were reached statewide. Additionally, several contests were implemented by local associations and 870 students participated by writing essays. This has tripled since 2005. A total of 73 local associations participated in some way, by having their logos incorporated into the curriculum. The 2005-2006 school year represented the third year of the program for C.A.R. In 2005, the Homewords™ program was the 2004 recipient of NAR's Hope Award, in the media category.

As this program matures, refinements to the contest portion and new ways to increase local association participation will be explored, and targeted reach levels may be increased as deemed appropriate.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$206,900
Net	(\$206,900)

MEDIA RELATIONS

A. 2007 Objectives

1. In conjunction with EXPO, develop a one-day symposium/conference focused on the changing real estate market. Topics to consider for inclusion: updated housing market forecast; how legislation today is shaping the market of tomorrow; what ever happened to the real estate bubble?; the changing legal landscape and its impact on the housing market etc. C.A.R. also will release a white paper analysis of the housing market at this event.

2. Position C.A.R. as the single most relevant source for information on the California housing market with the national broadcast media, focusing on media based in New York, Atlanta and other non-California media points. Promote C.A.R.'s Chief Economist as a must-have source for inclusion on national morning news and evening news programs (i.e. Good Morning America, Today Show, World News Tonight, etc.) as well as appropriate cable news programs (MSNBC, CNN etc.).
3. In conjunction with Governmental Affairs and its public relations agency, implement the strategic communication objectives established in Q2 2006 of educating targeted audiences on C.A.R.'s key legislative priorities, including legislators and other government officials, industry allies, C.A.R. members, allied industries and the media. Measure its effectiveness and develop a benchmark for future efforts in this area.
4. Beginning in Q1, produce and distribute short video news releases (VNRs) on monthly housing statistics, housing affordability index information, key legislation and other association-wide objectives/programs utilizing existing vendor relationship.
5. Design and implement a mechanism by Q2 to distribute C.A.R. news and information to franchises and broker Web sites in a systematic manner, utilizing C.A.R.'s RSS feed, videos, and podcasts as well as more traditional delivery mechanisms to increase the availability and visibility of C.A.R. news and information. Explore the use of emerging delivery mechanisms and new media opportunities for distribution of C.A.R. news and information by Q3, including but not limited to blogs, message boards, online chat rooms, RSS feeds, and handheld wireless devices.
6. Explore the feasibility of developing and producing a one-hour cable television program, with an online component, that will present factual real estate news and information as well as entertaining, real estate-related content geared toward a national consumer audience by Q2.
7. Utilizing a tracking and analysis service, demonstrate 5 percent growth in volume of media outcomes/placements above 2006 levels. Continue to evaluate data on media coverage and provide recommendations on how best to increase C.A.R.'s media presence. Produce media outcomes report quarterly, based on tracking service data. Distribute report to appropriate audiences.
8. Develop op-ed pieces on the association's major initiatives, key themes and issues, such as housing affordability, legislation, conforming loan limits, and legal activities, especially those that impact the consumer market, and place with major metropolitan daily newspapers throughout the state. Organize editorial board visits as needed. Produce 6 op-ed pieces for 2007.
9. Issue news releases on a variety of key legislative, public policy, economic and legal topics to maintain and build on C.A.R.'s position as the leading source of information and analysis about California residential real estate on a variety of fronts. Issue news releases, as needed, about key business services and products, including C.A.R.'s online services and subsidiaries, to promote selected business services/products/affinity relationships. In addition to conveying the Association's position on key public policy and legal issues, coverage also will be used to help secure passage of key C.A.R.-sponsored legislation, or to help block key legislation opposed. Utilize existing tracking service to monitor outcomes. Include graphic elements (i.e. photos or charts) with standard newswire transmission of selected news releases to California media and national media distribution. Produce 5 graphic elements for 2007.
 - In conjunction with Legal, increase awareness of legal activities, where appropriate, to membership and media, especially as it relates to Legal Action Fund issues, Strategic Defense Program, and amicus briefs activity. Coordinate these efforts with Legal to reach appropriate target audiences. Produce 5 legal releases for 2007.
 - In conjunction with Governmental Affairs, continue to increase awareness of C.A.R.'s political activities to membership and media. Increase coordination with the Sacramento staff in terms of working with the media, and work toward developing a greater presence with the Sacramento media. Produce 10 legislative releases for 2007.

- In conjunction with Research and Economics, produce news releases to include: 12 monthly housing sales/median price releases; 4 quarterly Housing Affordability Index news releases; 1 Annual Housing Market Survey release; 1 annual housing market forecast release, plus other economic-related releases as appropriate. Produce 28 research and economic releases for 2007.
 - In conjunction with C.A.R.'s subsidiaries (Real Estate Business Services Inc. (REBS), RE FormsNet, Real Estate Business Technologies Inc. (REBT), Real Estate Business Technologies LLC (REBT LLC) and Senior Advantage Real Estate Council (SAREC)), coordinate media strategy to leverage and support their marketing efforts. Produce new releases to include: 4 Real Estate Business Services Inc. (REBS) news releases; 8 Senior Advantage Real Estate Council (SAREC) news releases, 4 Real Estate Business Technologies LLC (REBT LLC) news releases. Produce 18 subsidiary releases for 2007.
 - Produce news releases on a variety of topics promoting the Association and its objectives, including incoming officers, California REALTOR® EXPO and associated events, C.A.R. Online and other online vehicles, C.A.R. Scholarship Foundation, "California Real Estate" and "RET2" magazines, the consumer advertising campaign, HOPE Award recipients, Good Neighbor awards recipients, the Association's C.A.R.H.A.F. and HomeWords™ program, and additional miscellaneous topics as needed. Produce 48 news releases for 2007.
12. Develop and produce talking points and background information in both print and electronic format four times annually on issues critical to the Association. Distribute to Leadership Team, VPs and other appropriate staff.
 13. In conjunction with the Senior Advantage Real Estate Council (SAREC), continue to produce a monthly Q&A "Ask a Seniors Expert"-style column geared to consumers, and increase placements with daily newspapers and advertorial sections throughout the nation.
 14. In conjunction with EXPO staff, continue to promote the press conference event at the Association's annual trade show that will provide a venue for exhibitors, C.A.R., C.A.R. subsidiaries, and other attendees to announce new products, services, and initiatives.
 15. In conjunction with the Research and Economics Dept., continue pre-recorded interviews with broadcast media on the monthly sales/price news release and Housing Affordability Index news release for broadcast beginning early a.m. the day of the release.
 16. Continue to promote human interest "good works" by members throughout the state to the media. This effort involves identifying and then promoting individual stories to each of the state's daily and weekly print publications. This effort includes an online component so that members and consumers will have access to an ongoing repository of collected stories. Exceptional "good works" stories will be pitched to appropriate broadcast media. Produce 8 news releases for 2007.
 17. Continue to refine password-protected local association media area of C.A.R. Online, accessible through link on local AOR site of C.A.R. Online and through media room of C.A.R. Online. In addition to content about association research and economic information, products and services, the site will contain relevant information on working with the media, how to write a press release, samples, etc.
 18. Based on capability of Internet Support and Development Department to implement this ongoing objective, continue to refine the password-protected online media center for the press at C.A.R. Online. The media center will be the comprehensive source for all appropriate C.A.R. information and will include article ideas, translated news releases, full-length articles for reprint, media pitches, archived data, staff profiles, and links to resource material found at C.A.R. Drive media to Web site from newswire releases, decreasing reliance, and cost of newswire service for disseminating information. Deliver quarterly WebTrends-based usage report.

19. Continue to promote C.A.R. president’s outreach efforts and other activities across the state to appropriate localized media.
20. Coordinate Association response to an average of 160 media inquiries per month seeking information and comment/analysis from Association leadership. Significantly increase the level of interaction between C.A.R. staff and the media by maintaining a highly proactive approach to establishing these relationships. Increase the level of cold calls and in-person meetings with members of the media by 10 percent. Aggressively target key media outlets in order to secure increased usage of C.A.R.’s research information. Secure and counsel appropriate spokespersons to handle these calls on a wide range of subjects from major California and national media.
21. Increase level of media training for incoming 2007 C.A.R. officers and include appropriate Real Estate Business Services Inc. (REBS), Senior Advantage Real Estate Council® (SAREC®), Real Estate Business Technologies LLC and RE FormsNet subsidiary officers and/or spokespersons.
22. Produce 52 issues of C.A.R. Newline annually, in addition to co-branded versions. Increase local association co-branded C.A.R. Newline participation by 20 percent.
23. In conjunction with C.A.R. General Counsel and Legal, continue to expand placements of monthly Q&A "Ask a Legal Expert" style column geared to consumers, and promote to daily newspapers and advertorial sections throughout state.

B. Three Year Direction

During the next three years, C.A.R.'s Media Relations Program will continue to play an increasingly critical role in maintaining and expanding the Association's position as the leading, authoritative source of real estate-related information and analysis about all aspects of the California housing market. The Media Relations Program also will continue to interface with other areas within the association as well as with REBS, SAREC, REBT, and other subsidiaries to help meet their specialized communications needs.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$327,000
Net	(\$327,000)

REALTOR® ADVERTISING

A. 2007 Objectives

1. Launch a new consumer advertising campaign to stress the value of working with a REALTOR® and emphasize the long-term value of owning a home in California. This new campaign seeks to extend the increased consumer awareness of REALTORS® as a result of years of advertising.
2. Based on consumer focus group testing and guidance from the Communication Advisory Committee, develop new messaging and creative to be implemented as part of the new 2007 campaign.
3. As part of the new campaign, develop a more robust Internet presence with the addition of banner advertisements and interactive media. Explore and implement new ways to reach consumers via the Internet, utilizing new technologies for mobile applications, videos, and pod casts.
4. Create an internal member-focused sub-campaign to foster greater usage and personalization of the new advertising campaign in members' and brokers' individual marketing.
5. Create and distribute print materials to members and local associations to further encourage widespread use of the campaign.
6. Create public relations and marketing efforts to promote awareness of this campaign with members. Develop appropriate information to distribute to local associations and firms in order to properly launch the new initiative and communicate this with all our members.
7. Conduct independent surveys of consumers and members, pre- and post-campaign, to gauge effectiveness and reach and determine the appropriate media strategy for subsequent years.

B. Three Year Direction

As the residential real estate market in California undergoes change during the next few years, demonstrating the value of working with a REALTOR® will become even more imperative than it has in the past. Keeping the REALTOR® brand at the forefront of the public's awareness is always critical, and particularly so during times of significant market flux and uncertainty. The consumer awareness campaign, initiated years ago, has done much to raise awareness of REALTORS® with the public. In conjunction with an expanded public awareness effort at the national level, this campaign seeks to provide the California audience with California-specific messages and content, and to continue to brand C.A.R. as an authoritative voice for the California real estate industry. With years' worth of data to support the benefits of keeping the REALTOR® brand in the public eye, but with the approaching end of the 3-year radio differentiation campaign initiated in 2003, the need to develop a different campaign stressing different messages was apparent in 2005 and 2006. The need for new campaign creative is more pressing now in order to freshen the campaign and address changing market conditions that impact consumer perceptions. Consumer field testing conducted in early 2006 substantiated the need for a shift in creative direction, toward a campaign that resonates on a highly emotional level by connecting the themes of owning a home in California with the value a REALTOR® brings to attainment of that life goal. Both these broad themes will be developed into one message that stresses the REALTOR® value proposition in California. The strategic direction of this new campaign will include message tactics that stress the value a REALTOR® brings to the transaction while stressing an over-arching theme of the intrinsic value of owning a home.

Through 2006, the new advertising agency retained by C.A.R. will work in concert with the Communication Advisory Committee to develop and refine the creative direction of this new campaign, which will debut in 2007. Independent pre and post-testing of consumers and members will occur in 2007.

It is envisioned that this campaign will complement C.A.R.'s 2007 media efforts to directly address negative public perceptions regarding commissions and emerging business models. This initiative is part of the media relations program, and synergies between the two campaigns will be leveraged.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$2,586,400
Net	(\$2,586,400)

SECTION III – GOVERNMENTAL AFFAIRS

CREPAC/BORPAC-CREPAC/FEDERAL-CREIEC

A. 2007 Objectives

1. Maintain a candidate database to assist CREPAC with funding decisions and historical research. Using the database and consultant expertise, provide CREPAC trustees with comprehensive data/analysis on candidates and elected officials statewide. Conduct candidate interviews, consult with political experts, and form coalitions with other statewide business and trade associations. Also provide CREPAC trustees and local associations, as requested, with information on candidates/legislators in their respective jurisdictions. Train local staff to handicap local political races, conduct independent expenditure campaigns, and increase C.A.R. member involvement in political activities with emphasis on member mobilization.
2. Prepare an ongoing cost-benefit analysis of the effectiveness of dollars that are spent by the PAC's in achieving C.A.R.'s legislative and political goals including a review of increased targeting of members of specific legislative committees. Using data derived from the analysis, create a task force of CREPAC and BORPAC trustees to develop a five year strategic plan to increase the effectiveness of the C.A.R. PACs at all levels.
3. Improve the quality of political coordination by working with local associations to insure maximum use of funds allocated for BORPAC utilization and by reducing the BORPAC structural fund balance from \$1.5 to \$1 million by encouraging more aggressive use of funds at the local level and collaboration with local coalition partners..
4. Work with a variety of state and local organizations to continue development of an organization to promote moderate Democratic candidates for state and local offices.
5. Work with the Assembly Moderate Democratic Caucus to find, recruit and support candidates in Assembly districts where the moderate Democratic incumbent will be termed out in 2008.
6. Provide training to volunteer leaders to:
 - a) expand their knowledge of political reporting laws, regulations, procedures, independent expenditures, and fundraising administration;
 - b) increase their understanding of campaign strategies and tactics; and
 - c) increase their understanding of demographic and political changes in the state of California.
7. Create a recruitment and training institute (“campaign school”) for REALTOR® candidates for local, state and federal elective and appointed offices.

B. Three Year Direction

C.A.R.'s political programs must continue to grapple with the constant turnover caused by term limits, the surge of local government veterans into the Assembly, significant local board political staff turnover, an increasingly suspicious citizenry when it comes to political contributions, and a small army of political foes who would increase REALTORS® liability and responsibilities in the real estate transaction.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$356,600
Net	(\$356,600)

GOVERNMENTAL RELATIONS**A. 2007 Objectives**

1. Review 3,000 to 4,000 bills or as many as introduced, identifying 800 to 1,000 bills or all bills impacting the real estate industry to ensure that statewide policy develops consistent with C.A.R.'s policy goals and objectives.
2. Continue legislative efforts promoting the adoption of housing policy to improve affordability and availability. Sponsor legislation to advance C.A.R.'s housing agenda as directed.
3. In conjunction with Legal, explore the development of policy to consolidate real estate disclosure laws and related forms.
4. Address key real estate related issues as directed in areas such as: risk management, e-commerce, homeowners and errors and omissions liability insurance availability and affordability, broker liability and disclosure, agency, real estate licensing, continuing education, independent contractor status, equity purchases and foreclosure, property management, real estate finance, predatory lending, and environmental hazards disclosures, etc.
5. In conjunction with Legal, explore the development of an interactive mechanism (e.g. website; BOD's etc.) to identify trends impacting REALTOR® risk and anticipate legal, legislative and regulatory solutions.
6. Undertake efforts to: Avoid unnecessary changes to the TDS; preserve the availability of homeowners and Errors and Omissions Insurance; preserve the fiscal integrity of the Department of Real Estate; avoid compartmentalization of the real estate license; resist licensing or regulating outside of the DRE any functions that have historically and traditionally been regulated by the DRE.
7. Explore changes to foreclosure laws to make it easier for REALTORS® to represent principals in the acquisition and disposition of properties in foreclosure.
8. Meet with "allied" (compatible and/or "hostile") industries quarterly to develop an institutional rapport with a focus on developing mutually compatible approaches to issues of common concern.
9. Explore whether privacy concerns can legislatively justify limiting the use of property information to only those who are licensed or regulated for purposes of marketing real estate.
10. Explore legislative or regulatory opportunities to distinguish REALTOR® from non-REALTOR® transactions.
11. In conjunction with Legal, explore a property information structure that anticipates future needs and focuses on an independently controlled structure preserving the unique and exclusive use by organized real estate.

12. In conjunction with legal, explore a “buyer brokerage” model and a legislative approach to legitimize it by way of codifying a “unique status” or a disclosure promoting the status.
13. Utilize a committee leadership e-mail polling system for policy development purposes between meetings.
14. In conjunction with the Legal, pursue two meetings with defense attorneys representing REALTORS® in litigation in order to collect data for policy development.
15. Explore in conjunction with REBT, LLC and Legal the development of legislative policy regarding public data bases to: make sure that access to data is not restricted; facilitate or encourage consolidation of public data bases; create the opportunity for REALTOR® controlled systems to be the access point or “one stop shop” to aggregate data; utilize REALTOR® controlled technology to automate the provision of data to REALTORS® and their clients.
16. Convene one meeting of the leadership teams of the “allied” industries to discuss issues of common interest to include property rights issues, liability concerns, land use and housing.
17. Convene as necessary the Legislative Prioritization Group to review legislative proposals for consideration in C.A.R.’s legislative program for 2008 in keeping with available resources.
18. Provide legislative program update materials to REALTOR® firms twice a year for outreach packets and Industry Leader Briefings. Distribute outreach packets at Governmental Affairs outreaches.
19. Encourage, develop and participate with existing coalitions to respond to “quality of life” issues and the preservation of private property rights.
20. Prepare Legislative Program summaries for use on the Internet, by C.A.R. leadership and legislators interacting with REALTOR® associations and members in their districts and update as necessary throughout the year.
21. Continue to monitor the Business License Tax issue from a state legislative perspective with a focus on statewide limitations if and where possible.
22. Inform membership on legislative issues via Sacramento Legislative Report columns for *California Real Estate* magazine.
23. In conjunction with Member Mobilization provide input for all issues of the Legislative Liaison Networker.
24. Work in conjunction with Membership Development program on the “Leadership Summit Group”, participating in 2 meetings during the legislative session concerning issues and legislation of mutual interest.
25. In conjunction with Member Mobilization, provide and the member education effort of the PAF, provide 72 direct association/firm contacts or outreach programs focused on political and public policy issues of importance with an integrated theme conveying CAR’s value in the governmental affairs arena and how that effort puts or keeps money in members’ pockets.
26. In conjunction with Membership Development and Research and Economics, participate in two meetings (north and south) twice with the industry leaders addressing C.A.R.’s legislative program.
27. In conjunction with LGR, facilitate information sharing forums for local association GADs in conjunction with the Directors’ meetings.

- 28. In conjunction with LGR, participate in the GAD Institute policy forums, at the annual GAD Institute meeting on issues of interest to association legislative advocates.
- 29. Develop a monthly (9 issues) updated Legislative Directory for distribution in the capitol.

B. Three Year Direction

Governmental Relations will continue to advance the public policy goals and objectives of C.A.R. These goals and objectives include introducing legislation as directed and aggressively addressing legislation of interest to organized real estate to include private property rights, housing affordability and availability, e-commerce, homeowners and Errors and Omissions Insurance, viability maintaining access to public records, broker liability, joint liability, independent contractor status, DRE fiscal integrity, license specialization, Transfer Disclosure Statement modifications, consolidation of real estate disclosure law, predatory lending, maintenance of existing risk management successes and agency law. Advocating the REALTOR® as the initial point of contact will remain a theme in connection with advancing the REALTOR® public policy agenda.

Member education efforts in conjunction with other departments within the division and the Political Activities Fund will move forward advancing the member education theme "You fight for your clients, we fight for you." In connection with those efforts outreaches will be conducted conveying that theme and a variety of legislative update issues. Efforts will be made in conjunction with other departments within the division and the member education campaign to develop and convey the "value added" Government Affairs efforts contribute to the bottom line business success of REALTORS®.

C.A.R. will continue efforts consolidating federal, state and local governmental affairs efforts as well as political affairs and PAC activities in its "Governmental Affairs" operation, ultimately achieving administrative and substantive economies and efficiencies. External political factors (term limits, campaign finance reform, etc.) will continue to place increasing burdens on resources challenging Governmental Relations to become more efficient at influencing public policy makers and impacting public policy development consistent with the goals and objectives of C.A.R.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$1,791,000
Net	(\$1,791,000)

IMPAC

A. 2007 Objectives

- 1. Fund efforts that support C.A.R. legislative policy objectives.
- 2. Provide funding to proactively pursue local and state issue advocacy efforts of significance to the real estate industry, with a focus on anticipating and reducing negative campaigns which are inconsistent with C.A.R. policy objectives while increasing the likelihood of positive campaigns which complement and/or support C.A.R. policy objectives. Pursue public opinion research and education in support of C.A.R. policy objectives as needed.

3. In conjunction with CREPAC, Local Governmental Relations and Member Mobilization, continue to assist local associations in fully utilizing local IMPAC funds, and further improve local association awareness of those funds and how they may be used.
4. Pursue an active role encouraging REALTORS® to become more involved in political and governmental affairs and support political education, fundraising and pay for related expenses.

B. Three Year Direction

Local associations are faced with an increasing number of controversial local issues related to real estate, and must be provided the resources, both technically and financially, to maximize REALTOR® influence on the outcome of these issues. In conjunction with Local Governmental Relations, IMPAC will continue to work to help local associations establish and/or maintain a strong and effective presence on issues of significance to the real estate industry, including, but not limited to, growth control, rent control, housing affordability, and private property rights.

IMPAC will continue to advance C.A.R.’s mission and legislative objectives. As C.A.R.’s legislative program becomes more controversial, and more difficult to pursue in a term-limited Legislature, IMPAC will play a greater role in financing efforts to help C.A.R. achieve legislative success in supporting measures that are positive for the industry, and opposing those that would have a negative impact. In light of the ongoing state fiscal challenges, there will be fewer statewide bond measures and the fiscal pressures on local governments likely will result in a greater demand for IMPAC resources at the local level. Further, deadlock in the State Legislature has resulted, and will continue to result, in more business issues being taken to the statewide ballot via the initiative process, placing greater demands on State IMPAC funds.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$159,500
Net	(\$159,500)

LOCAL GOVERNMENTAL RELATIONS/LEGISLATIVE COMMUNICATIONS

A. 2007 Objectives

1. Identify and respond to local policy issues which will pose the greatest challenge for REALTORS®. These could include but are not limited to:
 - a. Taxation issues such as the business license tax, transfer taxes, assessment districts, and others
 - b. Affordable housing programs
 - c. Inclusionary housing
 - d. Point-of-sale restrictions, including private or hidden transfer taxes
 - e. Housing element reform
 - f. Transportation
 - g. Rent control and just cause for eviction
 - h. Growth control, so-called “smart growth” and other related land use planning issues

2. Evaluate existing resources that have been compiled regarding these issues, including issues briefing papers, handbooks and online information. Identify the need for updates, new and additional resources, and develop appropriate materials by the Fall 2007 C.A.R. BOD meetings. Develop additional material as needed on an ongoing basis throughout the year. Emphasis will also be placed on making changes to online formatting to improve accessibility and use. In conjunction with Research and Economics efforts will be made to identify studies that establish a link between the above policy issues and their impact on housing affordability.
3. In conjunction with Research and Economics, help promote the resources contained in the Housing Opportunities Toolkit to educate and assist local Association staff and members about various aspects of Housing Opportunities. Areas of interest will include increasing member involvement at the local Association level, explanation of various financing instruments, advocacy material concerning policies that impact housing, and assistance with local housing summits. Emphasis will be placed on preparing REALTORS® to be “champions” of housing opportunities at the local level. This will include identifying training opportunities, developing resource material and identifying coalition partners to assist in this effort. Annual outreach goal: two per month, 24 per year.
4. In conjunction with Political Affairs, assist in the development of an outreach effort to encourage local Association involvement in and awareness of local BORPAC/IMPAC, Member Mobilization, federal, state and local policy issues, and all local government affairs resources with follow-up from C.A.R. Target audience to include members, local AEs, and GADs. Effort will include four regional outreaches and six grassroots training sessions at real estate brokerage firms and local associations. Effort will also include training at the California GAD Institute, orientation for new and existing AE's at one C.A.R. BOD meeting and one video conference training for new GADs at C.A.R. Headquarters.
5. In conjunction with Federal Governmental Relations and Media Relations, develop printed resources, such as FAQ's and Bullet Points, which local AORs can utilize for public relations, advocacy and mobilization on public policy issues, to be distributed in conjunction with the above referenced training sessions.
6. Under the sponsorship of the LGR Committee, conduct one two-hour training session at the Fall C.A.R. BOD meetings on a topic related to local government advocacy.
7. Develop resources and pursue training opportunities, via the C.A.R. BOD meetings and local outreaches, to educate members about how to address the issue of local private transfer taxes.
8. In conjunction with CREPAC, Member Mobilization and IMPAC, investigate the expenditure of local association IMPAC funds, and develop educational materials and programs to further improve local association awareness and use of those funds. Include regular updates, notices, and administrative “tips” in the Virtual Advocate and CAEU newsletters. Materials also to be used in conjunction with the above referenced outreaches.
9. Provide staff assistance for one California GAD Institute, to be held in late summer, prior to the Fall C.A.R. BOD meetings. Duties include coordination of planning committee, guidance on preparation of an agenda and identification of appropriate speakers, logistical arrangements for lodging and meals, coordination of funding, registration, and payment of expenses.
10. Continue to implement the recommendations of the LGR Committee's GADless Association working group, as approved by the Board of Directors in 2005. Recommendations call for an ongoing effort to assist local Associations seeking the services of a GAD. These include outreach and training, advice and consultation on funding resources, structuring the position, and identification of qualified candidates.

11. Develop an in-house local government monitoring program for local Associations. C.A.R. previously offered a subscription service, which was terminated due to inadequate service from the vendor. The LGR program has been in the process of developing the tools technologically to replicate part of that service internally and hopes to offer a service before the Fall 2007 BOD meetings.
12. In conjunction with Political Affairs, develop a program to encourage REALTORS® to seek local elected and appointed office. Effort to include increasing awareness at the local Association level and developing ways to help them identify potential candidates from their membership; development of a training institute; identification of professional consultants to assist in this regard; development or resource materials to help REALTOR® candidates understand the political process as well as the substantive policy issues they will encounter in their public service role.
13. Seek to better utilize elected and appointed REALTORS® as an advocacy resource. Complete a matrix of locally elected and appointed REALTORS® in California by the January 2007 BOD meetings. Develop talking points for elected and appointed REALTORS® on key legislative and policy issues, and conduct at least one “summit” with this targeted audience to discuss policy issues.
14. Maintain existing coalitions, and explore opportunities to develop new coalitions, with other association and industry representatives to discuss issues that fall short of state jurisdiction but transcend local government boundaries.

B. Three Year Direction

Because many onerous policy requirements that are defeated in the state legislature re-appear at the local government level, many important policy debates will take place at the local government level. With that in mind, the LGR program will expand efforts to monitor and identify emerging policy issues of concern to the real estate industry at the local government level. It will continue to assist local associations that seek to develop a GAD program and/or a shared regional GAD program with neighboring associations. It will work closely with associations that do not retain the services of a GAD to ensure that local issues are effectively monitored and addressed in their communities. Efforts will be expanded to train and educate members and local association staff to effectively address local policy issues, via a greater number of outreach visits and enhanced information resources. Staff will evaluate the online presence of LGR and other Governmental Affairs resources, and pursue new and innovative vehicles for providing this information to members and local associations.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$39,000
Total Cost	\$283,400
Net	(\$244,400)

POLITICAL AFFAIRS: FIELD REPRESENTATIVES

A. 2007 Objectives

Field Program

Key Contact/Federal Coordinator Programs

1. Assist in recruiting and organizing Key Contact teams of up to three volunteers each in 40 state Assembly districts and in 20 state Senate districts.
2. Assist in preparing Key Contacts and other local activists for up to twenty targeted in-district meetings.
3. In conjunction with Public Policy, assist FPCs and other local activists for up to 52 in-district meetings per year.
4. Help recruit FPC Contact Teams for up to 20 members of Congress.

Legislative Liaison Program

1. Directly recruit an additional 2,500 Legislative Liaisons.
2. Increase legislative liaison recruitment by 10% in 20 targeted legislative districts.
3. Staff EXPO and Showcase and recruit 250 Legislative Liaisons at that event.
4. Help promote annual Legislative Liaison recruitment contest.

Mobilization

1. Assist, as directed by consultant and Political Affairs Director, with mobilization activities in targeted districts.

Communications

1. Make outreach presentations at up to 50 large firm meetings or local AOR meetings to speak about government affairs and political activism.
2. In conjunction with other Member Mobilization and Media Relations, work with local association staff and leadership to help promote C.A.R.'s legislative agenda in local news outlets. Efforts will include media training, talking points, letters-to-the-editor and other collateral materials. Up to 20 targeted legislative districts.

Local Advocacy/Training

1. Conduct up to twenty local training sessions on mobilization/grassroots lobbying, fundraising, developing a local LGR program, and PAC Administration.
2. Assist local associations to recruit and train Key Contacts for local officeholders (e.g. county supervisors and city council members) for up to 15 local governments.
3. Work with local associations that currently lack professional government affairs staff to promote hiring GADs.

Voter Registration/Political

1. Register 1,500 REALTORS® to vote.
2. In conjunction with CREPAC/BORPACs, develop and implement a targeted effort in up to 5 legislative districts and five local races selected by local associations, designed to positively impact the election of these endorsed candidates.
3. In conjunction with Political Affairs and Public Policy, promote the participation by all Federal Coordinators, Key Contacts and Legislative Liaisons in the REALTOR® Action Fund.

Legislative Day

1. Market Legislative Day to local REALTORS®; increase participation by 10%

B. Three Year Direction

Over the course of the next three years the importance of this field program will grow as local issues and revenue constraints impact California REALTORS®. This program will reach out to under-involved audiences including new members, high-volume producers and members from smaller associations. Participate, as part of member mobilization, in helping local associations develop relationships with potential candidates long before they run for state office. Consistently promote the minimum level of involvement for every member – voting, participating as a Legislative Liaison, responding to Red Alerts, contributing to the REALTOR® Action Fund – as an essential investment in their business.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$231,200
Total Cost	\$266,500
Net	(\$35,300)

POLITICAL AFFAIRS: FUNDRAISING

A. 2007 Objectives

1. Convert 1,000 REALTOR® Action Fund contributors to higher donor levels.
2. Utilize outside legal counsel to comply with any campaign finance reform limitations and all local, state, federal reporting, and tax-exempt responsibilities.
3. Utilize volunteer leadership and staff to conduct 6 Webex sessions to educate, train, and assist local association members and staff on C.A.R.'s fundraising programs.
4. Identify, develop and provide tools (brochures, camera-ready materials, etc.) to local associations designed to promote C.A.R.'s political action committees and voluntary fundraising, including the production of the fundraising training kit, a brochure or pamphlet detailing cost benefits for members from C.A.R.'s legislative efforts, and specific PAC information.
5. Continue implementing and evaluating the comprehensive fundraising campaign based on the findings of the 2003 Fundraising White Paper. Major elements include: Online capacity to contribute, increased direct solicitation of higher level donors, regional training outreaches for local association captains, production of collateral materials, and the simplification of our contribution structure.
6. Create, print, and distribute a dues billing insert.
7. Conduct twelve outreaches to promote the REALTOR® Action Fund and educate fundraising captains.
8. Maintain all operations to provide the administration and maintenance of the C.A.R. fundraising operation.

9. Continue the development of the Fundraising Speakers Bureau to promote the REALTOR® Action Fund.
10. Initiate a local association recognition program to thank staff responsible for communicating the importance of contributing to new members.

B. Three Year Direction

The Political Activities Program will seek to expand both the total number of C.A.R. contributors and the percentage moving from one level of giving to a higher level. To do so will require close coordination with local association staff and government affairs volunteers to heighten the awareness of C.A.R. members, with emphasis on new members and those contributing only to the REALTOR® Action Fund. In addition, C.A.R. staff will work with large brokerages and real estate firms to establish greater voluntary giving.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$275,100
Net	(\$275,100)

POLITICAL AFFAIRS: MEMBER MOBILIZATION

A. 2007 Objectives

Key Contact/Federal Coordinator Programs

1. In conjunction with appropriate staff and consultants, plan a yearly training for Key Contacts and Federal Coordinators.
2. In conjunction with Government Affairs, send letters in January to all state legislators, informing them of the name of their Key Contact(s), their role and how to reach them.
3. In conjunction with Public Policy, send letters in January to all California members of Congress, informing them of the name(s) of their Federal Political Coordinators, their role and how to reach them.
4. In conjunction with Government Affairs, provide Key Contacts and local association staff with materials and instructions to prepare for twice yearly in-district meetings with their legislators.
5. Send Certificates of Appreciation to all Key Contacts and Federal Coordinators at the end of the year.
6. In conjunction with Federal Governmental Relations, require FPCs to schedule 2 in-district meetings per year (Spring and Summer).

7. In conjunction with Federal Governmental Relations, hold conference calls to brief FPCs prior to each session of in-district meetings.

Mobilization

1. Maintain the capacity to mobilize, with minimum notice, any subset of C.A.R.'s membership and local association staff as necessary to achieve the association's legislative objectives, utilizing C.A.R.'s in-house technology.
2. In conjunction with Federal Governmental Relations, assist in the mobilization of California REALTORS® in support of the association's federal public policy objectives.
3. In conjunction with the appropriate legislative advocate, prepare mobilization letters and collateral materials.

Legislative Liaison Program

1. Continue to implement the Legislative Liaison program to communicate the value of the C.A.R. Government Affairs Department by providing biweekly political briefings to member REALTORS®.
2. Implement the Legislative Liaison program in the largest 2000 real estate offices and expand it to a total of 12,500 members.
3. Provide the *Virtual Advocate* newsletter to all Legislative Liaisons.
4. Aggressively collect additional relevant information on Legislative Liaisons including political party, areas of expertise, and other relevant information.

Communications

1. Develop and implement a system for tracking readership and gaining feedback on Political Affairs Program publications and communications.
2. Speak to at least twenty-four local association membership meetings or real estate firms about governmental affairs and political activism.
3. Write and distribute the *Networker* to all Legislative Liaisons and local associations up to 24 times a year.
4. In conjunction with Government Affairs, produce Legislator Appreciation letters.
5. In coordination with Federal Governmental Relations, produce and distribute the *Virtual Advocate* to all Key Contacts, Federal Coordinators, local associations, Legislative Liaisons, CREPAC Champions and C.A.R. Directors via e-mail.
6. In conjunction with Government Affairs, create an e-mail version of the *Key Contact Newsletter* to be sent to all Key Contacts and Federal Coordinators, GADs and AEs quarterly.
7. Promote C.A.R.'s legislative successes and recruit volunteers through participation in the C.A.R. booth at EXPO and the Showcase Tradeshow.

8. In conjunction with appropriate staff and consultants, assist with planning a yearly dinner for local Governmental Affairs Directors (GADs).
9. Distribute a yearly dues billing insert promoting C.A.R.'s legislative successes. In conjunction with CREPAC, Local Governmental Relations and Member Mobilization, continue to provide education to assist local associations in fully utilizing local IMPAC and BORPAC funds, and further improve local association awareness of those funds and how they may be used.

Voter Registration/Political

1. In conjunction with Government Affairs, plan a REALTOR® voter registration campaign to include:
 - a. A mailing to all local associations and large offices that includes a voter registration display and forms; and
 - b. Quarterly e-mail announcements with links to the Secretary of State's web site from the Virtual Advocate, Legislative Liaison Networker, C.A.R. Newslite, and other publications to encourage unregistered members to register as voters.
2. In conjunction with CREPAC, develop and implement a targeted effort in 3-5 legislative districts designed to positively impact the election of the CREPAC endorsed candidate.
3. In conjunction with Political Affairs and Federal Governmental Relations, promote the participation by all Federal Coordinators, Key Contacts and Legislative Liaisons in the "Cost of Doing Business" fundraising program.

Legislative Day

1. Participate in the planning and production of Legislative Day.
2. Develop and implement a system of identifying and tracking all Legislative Day participants.

Campaign School

1. In conjunction with other units of Government Affairs and local government relations, plan and design a comprehensive campaign school for REALTOR candidates at the local, state, and federal level.
2. Recruit and screen REALTORS for campaign school.

B. Three Year Direction

C.A.R.'s members continue to encounter, under term limits, an ever-changing cast of decision makers. The rapid turnover in office holders requires augmenting traditional state lobbying strategies with increased REALTOR® advocacy at the state and local level. To remain the pre-eminent voice on issues affecting private property rights, real estate transactions, real estate business practices, and housing policy, C.A.R. must recruit and train an expanding cadre of REALTORS® to develop and maintain political relationships, to influence elected officials, and to become fully involved in the public policy process.

Over the next three years the political affairs program will:

1. Continually assess C.A.R.'s advocacy resources in targeted districts.
2. Develop and implement advocacy improvement and activity plans for every targeted district and assess the progress of each plan every two years.

3. Coordinate local member mobilization programs with C.A.R.'s policy and political objectives.
4. Communicate the value of C.A.R.'s policy and political programs to all REALTORS®.
5. Use the latest and most efficient technology to communicate the value of C.A.R.'s Governmental Affairs programs to rank-and-file members.
6. Develop a biannual REALTORS® in Politics Training Academy, in conjunction with other elements of Government Affairs and staff of local associations, through which C.A.R. would provide training and continuing education in campaign and fundraising techniques for volunteer leaders and political staff of C.A.R. and local associations.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$42,000
Total Cost	\$241,700
Net	(\$199,700)

SECTION IV - LEGAL

CORPORATE LEGAL SERVICES

A. 2007 Objectives

1. Provide legal drafting, negotiation (when necessary) and review of approximately 350 contracts for C.A.R. and its Subsidiaries as follows: C.A.R.: 130 contracts, REBS: 100 contracts, REFN: 30 contracts, REBT, Inc.: 15 contracts, REBT, LLC: 40 contracts and SAREC: 30 contracts. Create additional standardized contracts for use by C.A.R. and Subsidiaries to eliminate the need for further legal review. If REFN and REBT are combined into one entity in 2007, draft new subsidiary's operating agreement, contractual purchase and sale agreements, and other documents and file required documents with Secretary of State and other governmental organizations, as required.
2. Conduct 2 outreaches throughout the year to local Associations and/or large firms on ethics, professional standards and MLS issues of importance to members.
3. Maintain and update, if necessary, a contract tracking system to ensure that signed contracts are received from the business negotiators and are housed in the corporate files.
4. Provide legal support through telephone calls and emails (averaging 50 calls a week for a total of approximately 30 hours a week and averaging 30 emails a week for a total of approx 10 hours a week) for local associations for professional standards, variable dues formula, bylaws, membership and MLS related issues.
5. Administer and provide legal support for the current Interboard Arbitration and Mediation (IBA) program including administration of 45 cases throughout the year. Review and update current procedures to assure compliance with NAR policy, and create additional guidelines as needed to make the experience as customer friendly as possible. Explore the creation of an on-line filing system and forms for administration of IBA cases wherein costs may be reduced to members who use this system or there maybe an up-charge for those who don't use this on-line filing system.
6. Provide updates to local associations members, through CAEU, Realegal and the website, on newly adopted Professional Standards, Code of Ethics and MLS changes before they become effective.
7. Create educational or training materials for members emphasizing the Code of Ethics, such as articles for the magazine and website, Q & As or pamphlets.
8. Create professional standards training recommendations for local associations' Grievance Committees, Professional Standards Committees and Directors.
9. Review and update professional standards training materials for grievance committee members, directors and ethics and arbitration panelists on a continuing basis, and obtain DRE continuing education credit for any changes made in the third quarter of 2007.
10. Provide 4 FREE regional live, one-day professional standards training sessions (with an additional 2 sessions as needed) in the first quarter of 2007, held in Northern, Southern and the Central region of California. These training sessions will be presented by C.A.R. staff, at no cost to the member or the local associations for the training. The locations would rotate from year to year, if feasible. All sessions will include training for arbitrators, presiding officers, ethics panelists, and directors serving on appellate panels. Topics will include

updates on new NAR policies and instruction on substantive arbitration and ethics issues as well as procedural matters. Maintain and update 3 professional standards training modules for presentations (1 for Grievance Committee members, 1 for Professional Standards Committee members and 1 for Directors), to be delivered through web presentations at a cost of \$25.00 per member for unlimited access. In order to maintain the quality and integrity of the web based training, web attendees would be required to pass a test on material presented at the end of each presentation. In addition, DRE credit would be available for each class, for a fee, to those attendees wishing credit. Evaluate feedback from students and local associations, with an eye towards improving training.

11. To increase the number of trainers available to present live C.A.R. professional standards training to local associations statewide, maintain and disseminate a list of C.A.R. approved professional standards trainers. These trainers will use C.A.R. training materials and teach according to C.A.R. guidelines. Conduct one or two, if necessary, half-day train-the-trainer sessions at C.A.R. headquarters to certify new trainers. The cost of \$500 to attend train-the-trainers sessions, receive all required materials and be approved as a C.A.R. trainer will be borne by new attendees with cost of \$250 to re-certify a trainer that has been previously certified by C.A.R. Prior-approved trainers would not require all the materials a new attendee would require. Review evaluations for those trainers certified in 2006. Re-certify those trainers receiving positive evaluations. Create a probation program for those trainers whose evaluations were unsatisfactory. Any costs of hiring from the list of approved trainers will be negotiable between the trainers and the Associations.
12. To comply with NAR's mandated Administrator Training Certification, provide a one one-day training program for association executives on Professional Standards Administrator Certification to be delivered at the C.A.R. Directors Meetings. Explore a re-certification requirement for Administrators based on years of experience.
13. Market and sell the Professional Standards Reference Manual to local associations and members, throughout the year.
14. Update the "Legal Prevention Tips" list and other legal information for C.A.R. and Subsidiaries' business employees by June 2007, as necessary. Post on the Intranet and deliver to Subsidiaries to alert them to legal and business items to be concerned with when negotiating and drafting contracts and conducting business.
15. Develop strategic approach to tackling the issue of unnecessary mandatory policies promulgated by NAR involving MLS and professional standard issues.
16. Recruit and retain 5 volunteers each quarter as mediators and arbitrators for the Inter-Board Arbitration administered by C.A.R.
17. Develop policies and procedures for handling Data Management, such as data and personal information security issues, Privacy and Confidentiality issues of importance to C.A.R. and its subsidiaries and update policies, as necessary.
18. Work in conjunction with Association Services in co-coordinating the Realtor.com User Group to address members' and Association/MLS' issues in dealing with California Living Network (CLN) and Realtor.com.
19. Work with the Communication Department to review outside author's articles for the C.A.R. magazine, online articles, ad campaign materials and other content.
20. Work with Governmental Relations to review possible legislation for legal concerns effecting C.A.R., its subsidiaries and local associations such as arbitrations, data security, privacy issues, etc.

21. If approved by the C.A.R. Professional Standards Committee and the Board of Directors, seek NAR approval, as needed, and create, if feasible, a set of program rules whereby (1) the local associations could issue citations to members, to be satisfied by payment of a fine, for certain violations of the Code of Ethics; and (2) members are trained to represent and advocate for complainants and respondents in an ethics proceeding, up to and including hearings. Implementation to include training of such members by local associations.
24. Coordinate 4 mediator training classes in conjunction with an outside professional mediation provider, with one beginner and one advanced class held in Northern California, and the same classes in the South, for a minimum of 35 students in each class, on a fee basis, by September 2007.
25. Review and update 4 online ethics courses for REBS, 2 of which satisfy the NAR quadrennial ethics training requirement.
26. Assist MLSs and Associations with implementing potential changes, if any, to the MLS system envisioned by the MLS Working Group and/or required by NAR.
27. In conjunction with Association Services, work to fully study, and if feasible, provide one Legal Seminar by C.A.R. attorneys to the Association Executives at the October 2007 Association Services Professional Development Seminar. This Legal Seminar would be an excellent opportunity to allow Association Executives to become familiar with the latest legal issues and developments affecting REALTOR® members and associations.

B. Three Year Direction

The legal support necessary for the business transaction management platform (Relay), the Internet and related growth of C.A.R.'s role in e-commerce will continue to expand. These areas will provide many challenges in terms of security issues, tax issues and intellectual property and trademark rights, which have a significant impact on C.A.R.'s and its Subsidiaries business ventures. Given the organization's overall Internet, MLS and real estate information technology strategy, these activities will be a top priority and resources will continue to be shifted to concentrate on data and personal information security, intellectual property, trademark and business venture issues.

The efforts given to governance, document and overall tax and liability issues will continue to increase and give rise to the requisite juggling of work and employees within C.A.R. and its subsidiaries. Support of RE FormsNet and REBT, LLC (or its combined company) will continue to command top priority positions. There will be a growing need to proactively implement legal safeguards for C.A.R.'s and its Subsidiaries internal business and membership groups (where appropriate) with particular focus on data security, privacy, intellectual property and technology. The process for providing corporate legal services to enhance business and member service objectives in a cost effective manner will be monitored and refined, as necessary. The federal rules/laws are starting to expand into areas that have been typically state issues and the increase in federal legislation and how it interacts with state law is becoming a priority for the subsidiaries. In addition, the laws of each individual state that REBS/REFN/REBT are involved in are beginning to play a greater role in the legal arena.

Additional emphasis will be given to REALTOR® professional standards issues. This will help to remedy a void in education counseling of ethics issues to members through the use of online, magazine or Internet articles and training and educating the Association Executives.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$100,400
Total Cost	\$1,477,000
Net	(\$1,376,600)

LEGAL ACTION**A. 2007 Objectives**

1. Analyze 15 cases for consideration by the Legal Action fund.
2. Write eight amicus briefs, letters to the various courts, or comments on potential attorney general opinions advocating C.A.R. policy positions to assist courts ruling and the attorney general opining consistent with C.A.R. policy positions.
3. Coordinate with Strategic Defense program in meetings of smaller litigation risk groups around the state comprised of in-house counsel for firms and defense counsel. Arrange ten meetings (4 north, 4 south, and 2 central) to design preventive legal strategies with key REALTOR® in-house counsel and defense counsel. Use technology to assist communication between defense counsel involved in large-scale litigation against members.
4. In conjunction with Governmental Affairs, explore proactive means of addressing private transfer tax and other means of restrictions on future transfer of property.
5. Continue to litigate C.A.R. v. Barry malicious prosecution case.

B. Three Year Direction

Work with Strategic Defense to continue aggressive outreach to defense firms representing our members in litigation and transition lead efforts to that program. Monitor and participate, as appropriate, in legal cases and strategies involving implications of the electronic transaction. Anticipate ways in which the law impacts REALTORS® in the e-commerce setting, including VOW, IDX, IDD and EDD. Monitor ownership and control issues of listing information. In conjunction with Strategic Defense, network with outside litigation counsel to design strategies (standard forms, education, etc.) to minimize legal claims against REALTORS®. Assist Strategic Defense in building a database of pleadings of lawsuits around the state, analyze trends and serve as a repository for those attorneys representing real estate brokers to enhance defense resources and assist with successful strategies.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$463,900
Net	(\$463,900)

MEMBER LEGAL SERVICES**A. 2007 Objectives**

1. In conjunction with Communications, develop a comprehensive plan to market and communicate the range of services available to members from C.A.R. Member Legal. Examine and implement, if appropriate, a new branding strategy, new legal communications, and new legal products by March 1, 2007. Define clearly what C.A.R. members should be able to expect from the Legal Hotline, such as hours of service, response time, hold times, priorities of certain types of callers and calls, and the nature of the advice provided.
2. Respond to 75,000 member assistance requests to the Legal Hotline, from 30,000 distinct callers.
3. Attorneys will advise members in one-on-one consultations in the following priority: (a) The caller is involved in an imminent transaction and needs legal advice; or (b) The caller is a broker/owner or Office manager supervising other agents. Other callers with general questions will be redirected to electronic databases and other resources, provided with written materials, and, if necessary will receive a call back from an attorney. Train Customer Contact Center staff to direct callers with general legal questions to written materials relevant to their inquiry.
4. Prescreen scripts will be developed and refined in conjunction with the Contact Center so the Contact Center staff will be able to collect all relevant information from the caller and convey that information to the attorney before the attorney gets the call.
5. Implement system improvements in Customer Relationship Management (CRM) for heightened customer service and efficiency in processing the calls.
6. Explore using outside resources, such as a contract attorney or paralegal, to assist in the development of a knowledge base that would include existing Q & A documents and digitizing the various files currently maintained by each attorney. Work with operations and the website developers to set a budget for a specialized search engine for the Legal Section of C.A.R. Online or utilize other software for a usable database for member access. If feasible and if any needed additional budget is approved, implement such database.
7. Expand the Attorney Referral Panel and utilize these attorneys or contract attorneys to take overflow calls during peak periods or to perform other tasks.
8. Increase efforts to gather information on commonly asked questions with relatively black and white answers and draft more extensive "how to" Q & A memoranda addressing these questions, as opposed to short legal memoranda. Draft or revise 50 Legal Q & A memoranda for the Legal portion of the website.

9. Contingent on Contact Center facilitating change with software vendors, refine the member legal hotline hold message to make members' hold time more productive. Eliminate unnecessary calls, without compromising customer service, by delivering current legal information. Update the hold message monthly or as required to be current. The hold message will inform callers of their options with respect to remaining on hold or receiving a call back, shall indicate their approximate wait time and emphasize the availability of legal information on C.A.R. Online 24 hours a day.
10. Draft memoranda for distribution to members explaining how to adapt to the changing market, including the legal issues concerning foreclosures, short sales, creative financing, loan fraud, referral fees and rebates and marketing to buyers.
11. Working with Real Estate Business Services, the Communications Department and the Research and Economics Division, create a set of tools that can be used by REALTORS® to enable them to differentiate a REALTOR® transaction from a non-REALTOR® transaction. This would include a comprehensive forms review course, only available to REALTORS®, that would have to be completed before a REALTOR® could participate in a "REALTOR® transaction".
12. Provide 125 outreach programs to Boards/Associations of REALTORS®, brokerage firms and allied industry groups, reaching approximately 16,000 members. Focus a portion of all outreaches on explaining buyer-broker agreements, pointing out the positive benefits of buyer brokerage and encouraging members to enter into buyer-broker relationships. Focus a portion of all outreaches on the legal issues that arise in a changing market.
13. Develop a greater expertise in labor law issues that affect brokers and draft memoranda on these topics.
14. Draft up to four articles for the annual "Legal Issue" of California Real Estate Magazine.
15. Review 10 articles for California Real Estate Magazine for legal accuracy.
16. Draft up to 12 REALEGAL® email newsletters yearly.
17. Provide legal content for CAEU, InManagement, C.A.R. Newslines monthly or as appropriate.
18. In support of Real Estate Business Services Professional Development and Training Programs review 11 education courses and teach 15 training courses covering C.A.R.'s Residential Purchase Agreement.
19. Review, upon request by interested REALTOR® firms and Associations/Board of REALTORS®, and annually thereafter, on a fee basis, 15 non-C.A.R. standard forms for inclusion as standalone specialty libraries within the WINForms software platform (inclusion contingent upon such forms not conflicting with duplicating, or creating ambiguities with existing C.A.R. forms, and not exhibiting any obvious legal deficiencies).
20. In support of Real Estate Business Services' Standard Forms Program, organize up to 5 study groups to review and update standards forms.
21. In support of Real Estate Business Services' Transaction Support Program, assist in creating and/or writing 3 education booklets and/or similar products and review for currency and legal accuracy 10 education booklets and/or similar products.

22. Survey overall customer satisfaction of Member Legal Hotline users immediately following consultation and increase overall satisfaction rating from 68.75% excellent to 75% excellent and 80% good or excellent. (72.75% were good or excellent).
23. Increase the quality of legal opinions rendered by the Hotline attorneys, by surveying customer satisfaction of Hotline users and increase satisfaction rating from 81.25% excellent to 85% excellent (96.25 % were good or excellent).
24. Enhance Hotline Attorney productivity and decrease response time by shifting support work to new legal coordinator/administrative position, including website support, library support, outreach support, and limited research assistance to law clerks and attorneys. Convert temporary position to full time position.
25. When requested by the Federal Governmental Relations program, review for legal accuracy substantive materials produced by that Division for distribution or for uploading to the Public Policy Division portion of the C.A.R. website.
26. Respond to 30 requests by the Communications Department to provide assistance to members of the media.
27. Continue to improve the efficiency and productivity of hotline attorneys through the use of new technologies associated with the Customer Contact Center and phone system and through specialization of hotline attorneys in subject matter areas.
28. Develop up to 6 Podcasts for distribution through the C.A.R. website on various topics such as Legal Updates, Standard Forms releases etc.
29. Work with REBS to determine if a buyer-seller dispute resolution service is one for which there is a demand and which would benefit our members by providing a quality cost effective mechanism for resolving disputes by selecting qualified mediators and providing them with education on real estate law issues.
30. In conjunction with the Strategic Defense Program, develop a set of arbitration rules for use by members and buyers and sellers in conjunction with the arbitration clause in real estate transactions that can be adopted by the arbitrator of the disputant's choice.
31. Explore in conjunction with Governmental Affairs Department the development of policy to consolidate real estate related disclosure laws and related forms.
32. Explore in conjunction with the Governmental Affairs Department a "buyer brokerage" contractual relationship/model and a legislative approach to legitimize it by way of codifying a "unique status" or a disclosure promoting the status.
33. Assist the Communications Department in promoting buyer broker contracts through available and appropriate media. Work with the industry leader groups to promote the concept and develop talking points for all speakers and officers at outreaches on the benefits of the concept. Work with REBS education programs to enhance current courses to emphasize the concept and prioritize their promotion in current education materials.
34. Explore in conjunction with Governmental Affairs a property information structure that anticipates future needs and focuses on an independent controlled structure preserving the unique and exclusive use by organized real estate

- 35. Explore, in conjunction with local governmental programs, the feasibility of enhancing databases to include local regulations or ordinances affecting real estate transactions.
- 36. Explore in conjunction with RELAY and Governmental Affairs the development of legislative policy regarding public data bases to: make sure that access to data is not restricted; facilitate or encourage consolidation of public data bases; create the opportunity for REALTOR® controlled systems to be the access point or “one-stop shop” to aggregate data; and, utilize REALTOR® controlled technology to automate the provision of data to REALTORS® and their clients.

B. Three Year Direction

Member Legal Services traditionally has bifurcated its approach to providing legal services. Through its Member Legal Hotline service and other plan components, it endeavors to deliver fast, accurate, and usable legal advice directly to real estate practitioners, allowing them to make rapid and meaningful business decisions. On the other hand, Member Legal Services’ educational and information banking functions to allow for self-education of members.

To address these long-range objectives, Member Legal Services will begin to implement a prioritization of member calls so that calls from members immediately in a transaction or broker/office manager calls will be given first priority and immediate access to an attorney for a one-on-one consultation. Others wishing general information about legal issues, including preventive law approaches, will be redirected to electronic interfaces and other resources. Although attorneys will call the members seeking more general information if time permits, resources will be redirected into populating and maintaining databases available around the clock for self help on these general legal informational questions not involving an imminent transaction.

Member Legal Services will use technology to more efficiently address the continuing and explosive demand for Member Legal Hotline services, by providing alternative technology driven services which will pull attorneys away from the one on one consultations for education purposes and divert those resources to outreach and technology.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$2,000
Total Cost	\$2,448,200
Net	(\$2,446,200)

STRATEGIC DEFENSE

A. 2007 Objectives

- 1. Review and revise as necessary the detailed roles and commitments required of the Panel and C.A.R. to maintain the appropriate number of attorneys in the program. Such roles and commitments shall include, but not be limited to, the following:
 - a) Any carrier(s) endorsed by C.A.R. must agree to use this Panel in handling claims filed by members to the endorsed insurance carrier.

- b) C.A.R. would recommend the Panel attorneys to both its members and to its endorsed E&O insurance carrier and insurance brokerage operating in California.
 - c) C.A.R. would also recommend the Panel attorneys as expert Mediators that can be used to comply with the mandatory mediation requirement in the C.A.R. purchase agreement. Explore submitting list of Panel attorneys who agree to work as mediators to court mediation programs involving REALTORS® and to C.A.R.'s endorsed Mediation program, if created.
 - d) The Panel attorneys agree to share with C.A.R. and other Panel attorneys all pleadings, discovery, research and other materials and information developed or used by the Panel attorneys in defense of claims against REALTORS®.
 - e) The Panel attorneys agree to counsel their client to (1) refrain from (or postpone) filing cross claims against other REALTORS® and (2) to enter into a cooperative defense of claims with the other REALTOR® involved in the claim. Evaluate using C.A.R.'s Mediation program as a means of handling issues between brokers who agree to not use cross-complaints against each other in buyer-seller litigation.
 - f) The Panel attorneys populate the Claims Information and Litigation Defense Repository with their own briefs, pleadings, discoveries, other pertinent material and information and claims case histories.
 - g) The Panel attorneys agree to collaborate on all types of claims, including claims that are particularly egregious (frivolous) as brought to C.A.R.'s attention by broker/owners.
 - h) The Panel attorneys, at their cost, agree to teach at least two (2) risk management seminars per year to members.
 - i) Any endorsed insurance carriers or brokers must agree to share information collected through the insurance process with C.A.R. on claims tendered including amount of claims made and/or settled and what types of claim.
2. Work with Communications department to announce and explain the benefits of the Program and utilize all available channels of communication (i.e. press releases, articles, C.A.R. magazine, website, Realegal, newsletters, directors' meetings, Legal Affairs Forum channel, etc) and non-C.A.R. communication vehicles to promote and educate the public, the members, and the legal community about the Attorney Referral Panel and Claims Information and Defense Repository Program ("Program") on a quarterly basis.
 3. Send out request for submissions, if necessary, to potential Panel attorneys and in house counsel through legal publications, local bar associations and other sources, as well as, C.A.R. publications, Legal Affairs Committee and web site.
 4. Work closely with Panel Attorneys to populate the Repository with at least 100 additional documents by the end of 2007, including adding case digests, claims information from other insurance carriers, etc.
 5. Monitor the Risk Management Seminar Series wherein each Panel Attorney is required to schedule, coordinate, and present two (2) seminars per year, including information on the changing marketplace, buyer-broker agreements and "hot topics". C.A.R. will advertise these seminars through its usual means of communication. Each Panel attorney will bear the cost of putting on the seminars. Coordinate a minimum of twenty (20) risk management presentations by the end of 2007, including a large scale presentation by multiple Panel attorneys at C.A.R. EXPO and Showcase.
 6. Utilize and analyze the collected claims information from our endorsed E&O Program to fashion seminars and informational pieces to educate members on "danger zones" when working with buyers and sellers and any potential emerging trends.

7. In the third quarter of the year, implement the second annual survey to C.A.R. members to measure awareness of the problems facing the California Real Estate industry in the areas of Errors and Omissions and real estate broker liability, as well as measure the awareness of the Program. Work with research department to improve, if necessary, the survey and to determine the best means of delivery.
8. In the third quarter, manage the technical aspect of the Claims Information and Defense Repository and monitor usage. Work with Panel attorneys to evaluate existing software and make changes, as necessary.
9. Coordinate the Attorney Panel Strategic Meetings between C.A.R. and the Panel attorneys (either a selected group and/or the entire Panel) to focus on the various legal issues (both present and potential) facing members. These strategic meetings will be scheduled once each quarter and will be held through conference calls, web casts, and/or face to face meetings. Recommendations to improve litigation strategies employed by Panel Attorneys, as well as new areas of potential litigation are the goal of these meetings. Schedule and conduct a minimum of four (4) meetings in 2007.
10. Work with Governmental Relations to utilize any information and recommendations made at the Quarterly Attorney Panel Strategic Meetings in developing possible legislative solutions to recommend to the Legislative committee. Meet with other committees and departments such as standard forms, risk management, etc. to explore new uses for any information and recommendations by the Panel Attorneys to better meet the needs of the membership. Interface with the legal hotline to utilize information generated through the calls for developing trends, to establish protocols to reduce costs, streamline the litigation process and help members who face lawsuits.
11. Create internally or with the help of Panel Attorneys, 6 articles for publication in C.A.R. magazine, newsletters, periodicals, website and Q&A's, etc to address existing risk management and E&O insurance issues and promote the benefits and success of the Attorney Referral Panel Program. Publish three (3) separate risk management related articles in non-CAR publications to educate the public about risk management.
12. In the last quarter of the year, evaluate the established criteria for selection of attorneys for the Panel and change as needed.

The criteria include, but are not limited to, the following:

- a) Ten (10) years experience in litigation and 5 years experience in real estate broker defense with defense only practice representing brokers versus plaintiffs, and agreement not to prospectively engage in plaintiff representation while on the Panel.
 - b) The providing of references
 - c) An agreed discounted billing rate
 - d) A commitment to share billing and claims results with C.A.R.
 - e) A commitment to work collaboratively with C.A.R. and other Panel Attorneys, including attendance at quarterly meetings with C.A.R. at their own cost, and see participation as a long-term source of sustained revenue and relationship versus an opportunity to maximize the value of individual cases.
13. Implement an outreach program to promote the success of the established programs to include, appearances by C.A.R.'s strategic defense counsel and selected Panel attorneys at a wide variety of events designed to promote awareness of the problems facing the membership, as well as the awareness of the C.A.R. initiated program that has been successfully responding to those problems. The outreach would encompass 8-10 appearances throughout the state and would focus on the local association and broker level, as well as legal symposiums for attorneys.
 14. Monitor and post information about the Program, the Seminars, and the Panel itself, as well as articles to educate members on risk management on the Strategic Defense portion of C.A.R. Online.

15. Work in conjunction with Association Services to create a risk management video, DVD or other communication channel product to make available to local Associations in California, at no cost to Associations.
16. Create Risk Managers section of the Panel Attorney meetings and invite Risk Managers of brokerage firms to participate in discussions for their input and expertise in handling risk management for the brokerage.
17. Conduct a survey to determine the range of E&O Insurance coverages, premiums, deductibles and any other information to establish a baseline from which to measure changes in this area. Work with research department to develop and implement the survey.
18. Attend seminars with Risk Management and Insurance underwriting groups to spot trends in claims and claims handling.

B. Three Year Direction

Continue to improve the knowledge of C.A.R. members concerning potential claims and how to effectively defend against those claims and to provide an early warning and defense strategy through the Panel attorneys for new types of claims. Continue to improve name recognition for C.A.R. as the proactive player in the real estate broker liability defense arena. The Attorney Referral Panel is specifically designed to position C.A.R. as the “expert” on E&O insurance claims defense. Promote the value of the Strategic Defense Program nationwide to N.A.R., and all other state associations and their members as an effective risk management education, avoidance and defense program.

Continue to add to or delete the number of participants on the Panel if necessary and evaluate the information received from the Attorney Panel to determine if the criteria need to be changed. Continue creating additional educational materials or products and services that would be beneficial to members based on the information gathered in this program.

Continue to expand and develop the Attorney Panel Strategic Meetings as an influential and intellectual voice to be used by C.A.R. to respond to issues in the litigation and legislative environments, as well as, serving as a think tank to adapt to the potential economic, political, and legal changes in the State of California. Utilize the Attorney Panel to respond to changes and offer real solutions to the problems that the real estate industry and C.A.R. members will face in the coming years. Draft articles, case studies and other valuable communication tools from the information gathered and promote the use of information through communication channels.

Continue to promote the value of the program to members and insurance companies as an effective risk management education, avoidance and defense program. Continue to utilize the attorney Panel to identify new types of claims and to brainstorm the best defense strategies against these types of claims. Increase the database of information (Claims Repository) on the number, types, severity, settlement amounts and other information on claims as well as additional information (non-claims related) that would be helpful in educating members and useful in negotiating future coverages and costs of E&O insurance..

Continue to develop the Risk Management Seminar Series. Revise and adjust the substantive content to address the current issues facing the membership, while at the same time, maintaining its essential charge of educating members of potential claims and how to effectively defend against those claims.

Update the Advisory Committee on new information concerning E&O risks, causes of loss, and cost analysis and developments of the program.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$246,700
Net	(\$246,700)

SECTION V - MEMBER INFORMATION

CALIFORNIA LATINO HOMEOWNERSHIP INITIATIVE (CLHI)

A. 2007 Objectives

1. Provide the Tapping New Markets: The Latino Homebuyer”, a C.A.R. course developed for the Initiative, with 3 DRE Credits, to local Associations throughout the year with a target of reaching 1,500 REALTORS®.
2. Create a survey to measure the success of the Initiative and track the benefits of the resources provided in the course.
3. Continue to train instructors to teach the “Tapping New Markets: The Latino Homebuyer” course.
4. Conduct 38 classes throughout the state during the year.

B. Three Year Direction

This program is reviewed and renewed each year at the desecration of Freddie Mac who fully funds this Initiative.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$115,000
Total Cost	\$140,200
Net	(\$25,200)

FEDERAL GOVERNMENTAL RELATIONS

A. 2007 Objectives

1. Work towards protection of existing California laws supporting REALTORS® and C.A.R. state lobbying efforts. This will be accomplished through a concerted effort to raise NAR’s awareness of this concern and encouraging their adoption of an overall position seeking “substantial compliance” language in all federal acts supported by NAR. This effort will include contact with NAR staff (legislative, regulatory, and lobbying). In addition, establish rapport with the California Congressional delegation and their staffs so that C.A.R. is their first point of contact on all housing related issues.
2. Explore with NAR avenues for enhancing the effectiveness of C.A.R.’s federal lobbying activities. Initiate a formal meeting with 2007 NAR leadership to discuss ways to work together to achieve this goal. Work in conjunction with NAR on issues that are of priority to C.A.R. and protect California law from Federal Preemption. Expand C.A.R.’s presence in Washington D.C. through more frequent trips by C.A.R. staff and

FDCs in response to developments as needed. Present to Congress, REALTORS® and C.A.R.'s position on priority issues including Federal pre-emption of state laws, conforming loan limits, GSE oversight, tax reform, affordable housing, insurance, FHA reform, FIRPTA, estate tax reform and other issues.

3. Ensure the protection of real estate related tax benefits against congressional attempts at reforming the tax code. This includes the mortgage interest deduction and its current limit, home equity line of credit loans, second home mortgages, and other real estate related tax benefits. Use C.A.R. and outside research to determine the positive and negative impact on California's housing market from any proposed tax reform. Combat harmful proposals through the use of media, lobbying, coalitions and grassroots efforts.
4. Advocate for higher Fannie Mae and Freddie Mac conforming loan limits. Develop strong relationships with headquarters of Fannie Mae and Freddie Mac via regular phone calls, meetings and trips to Washington, D.C. Coordinate, encourage and support REALTOR® involvement with regional offices. Write position papers, informational papers and legislative letters as needed and work with Media Relations to develop one op-ed piece. Work with NAR on pushing legislation forward on the re-classification of California as a high cost state.
5. Advocate for higher HUD, FHA, and VA government loan limits. Write position papers, informational papers and legislative letters as needed and/or requested. Coordinate, encourage and support REALTOR® involvement with regional offices. (See Mega Issue IV.1)
6. Advocate for the continued support of HUD programs targeted at housing affordability, including HOME Investment Partnerships Program, American Dream Downpayment Initiative, HOME VI, Section 8 and Home Equity Conversion Mortgages. Write support letters and discuss with California Congressional delegation. Work towards the passage of the First Time Homebuyer Tax Credit, which provides first-time homebuyers with a tax credit. Advocate for the Housing Bond Fairness Act to allow payments on existing bonds to continue to be used to create new loans rather than retiring old debt. (See Mega Issue IV.1)
7. Advocate for continued support of HUD's efforts to incentivize local creation of and compliance with housing elements. Write support letters and discuss with California Congressional delegation. (See Mega Issue V)
8. Advocate for increasing development incentives, including Renewing the Dream Tax Credit and its Senate companion to allow developers and investors who construct or rehabilitate housing for low- and moderate-income families for purchase to claim a tax credit. This would be achieved by writing support papers/letters and providing background information to Congress and NAR as necessary. In addition, work to develop relationships with home builders' organizations to support the creation and passage of such bills.
9. Monitor and analyze legislation related to natural hazards in order to protect REALTORS® from burdensome disclosure requirements and potential liability.
10. Monitor and analyze legislation related to general insurance issues to ensure availability of insurance at rates that would allow for unfettered real estate transactions. In addition, advocate for Homeowners Insurance Availability, which would create a government reinsurance program. This would be accomplished by providing background information to Congress and NAR as well as writing support papers/letters as necessary.
11. Defend against banks being allowed into the real estate business. Work in conjunction with NAR to push forward the Community Choice In Real Estate Act and its Senate companion to bar banks from entering the real estate business. Work with NAR to watch and ensure federal bank regulators do not issue rulings to allow banks to participate in commercial activities, nor allow them to issue rulings that would allow commercial entities to participate in banking. Assist in writing papers/letters to Congressmen and federal regulators as well as identifying related legislation that would prevent funding to the Treasury Department for implementing rules

allowing banks into real estate. Work in conjunction with Member Mobilization to continue to issue Calls to Action during critical periods as the legislation moves forward.

12. Monitor HUD's actions regarding a possible new RESPA proposal and work to ensure that any packaging that may result includes sufficient disclosures as well as the opportunity for non-lenders to package. Write comment papers and letters to Congress as necessary.
13. Monitor predatory and subprime lending legislation.
14. Defend against legislation involving public-private mortgage risk sharing that would place an undue burden on federal government. Watch for legislation that would cause funding to flow away from FHA and VA. Work in conjunction with NAR and FHA by providing information and support papers/letters to defeat legislation that could erode the basis of government loans.
15. Advocate for mortgage cancellation relief by supporting Mortgage Cancellation Relief Act, which would grant relief from the discharge of indebtedness rules for sales of residences.
16. Defend against Estate Tax Reform as it relates to eliminating the "stepped up" valuation that California enjoys regarding inherited real property. Analyze legislation attempting to make permanent the current estate tax repeal, which may add elements eliminating "stepped up" valuation. Work towards excluding these amendments when proposed. Monitor and track tax reform legislation.
17. Defend against attacks on primary residence capital gains exclusion and mortgage interest deductibility. This would include working with NAR to defeat the Mortgage Insurance Fairness Act, which would put mortgage interest deductibility at risk of being capped for the purposes of adding mortgage insurance premiums as deductible expenses. Continue to work in conjunction with NAR to ensure that current exclusions and deductibility remain in force by educating Congress on the significant impact that these tax breaks have on the ability for consumer to purchase real estate.
18. Advocate for making permanent last session's tax law that temporarily shortened the tax depreciation life on non-residential property, from 39 years to 15 years.
19. Explore the development of Fannie Mae and Freddie Mac education programs for members and the public on issue of predatory lending.
20. In conjunction with Member Mobilization, establish a reporting system for FPCs, GADS and AEs for Hill visits, in-district meetings, and other events similar. Conduct conference calls with FPCs before each in-district meeting.
21. Increase direct Congressional lobbying effort. Attend as many in-district meetings as possible within time and budget constraints, approximately 15-20. Attend as many Hill Visits as possible during May D.C. trip as possible, approximately 15-20. Emphasize California federal issues during March C.A.R. Leadership's Washington D.C. trip.
22. Develop and expand relationships with NAR staff by attending 2 NAR meetings, in order to establish a broader number of contacts and enhance coordination of efforts on key federal issues. Also, attend meetings and support California's NAR Directors for the purpose of actively promoting C.A.R.'s federal policy positions to NAR for implementation and action.

- 23. Produce 2-4 articles on Federal issues to be published in C.A.R. publications in order to further educate REALTORS®. Produce 6-8 articles for C.A.R. Online regarding federal issues of importance, including periodic updates on the progress of key legislation. Post all comment letters to Governmental Affairs section of website.

B. Three Year Direction

The Federal Governmental Relations program will continue to monitor and assess federal governmental and allied industry trends for their impact on the ability of the REALTOR® community to continue to do business. The emphasis will be on assuring that gains made at the state legislative level are not undermined by pre-emptive federal legislation and regulation and that federal actions are predicated on a clear understanding of the day-to-day realities of doing business in a market such as California. In addition, a liaison function with the major housing agencies, secondary market and financial community will aim at assuring that public and private institutional policy will promote an adequate flow of housing finance resources to the California market.

A major focus of the Federal Governmental Relations program will be to position C.A.R. as the leader in California federal policy issues. This will be accomplished by C.A.R. public policy, political affairs, and member mobilization coordinating efforts to create C.A.R. as the primary conduit of all information regarding California federal issues. Specifically, C.A.R. will be the hub for all information flow from and to FPCs, GADs, AEs, Local Association Presidents, and NAR. C.A.R. will coordinate an active policy agenda and implement it to the full extent possible as a “first strike” presence. Of course, C.A.R. will continue to coordinate efforts with NAR whenever possible.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$333,100
Net	(\$333,100)

HOUSING AFFORDABILITY FUND

A. 2007 Objectives

Overall program success will be evaluated by the following criteria:

- 1) Increase the number of associations utilizing H.A.F. for the purposes of supporting and engaging in targeted housing programs at the local level from 40 in 2006 to 50 in 2007. HAF Committee will review funding requests to ensure the maximum leverage of investment dollars into local program initiatives.
 - a) Provide local associations with support to develop programs based on new or existing affordable housing concepts.
 - b) Funding Requests:
 - i) HAF expects to process 14 funding requests this year and 16 requests in 2007
 - ii) Use the HAF website, in-person visits, and other means to disseminate information about how to apply for HAF funds.

- iii) Profile 2 recent success stories to make available online and share at CAR business meetings
- 2) Increase the marketing of success stories and program relevance to REALTORS® to create a more positive perception of affordable housing. Strategically targeted and tailored mailings to New Members, the base of existing donors and leadership of local associations to encourage increased participation and support of the HAF program. Utilize in-house opportunities to maximize contact and minimize costs, the following opportunities will be implemented;
- a) A minimum of 4 direct solicitations of membership which will include email, e-newsletter, direct mail
 - b) Place ad in CRE Magazine to recognize contributors (mid-year & year-end ad)
 - c) Include HAF materials in C.A.R.-wide mailings (Industry Leaders, new member mailings, outreach packets)
 - d) Mid-year and Year-end Press Releases about issues on fundraising progress and programmatic success. Additional releases issued upon securing large corporate donor.
- 3) Fundraising: Pursue overall fundraising campaign with assistance from public relations/advertising consulting and other C.A.R. functions as needed. Continued emphasis will be placed on growing our affiliate sponsorship support in addition to growing the number of member support. Provide committee with fundraising training seminar (at an expanded January business meeting) to continued the strategic fundraising campaign that will target increased membership participation and support of the Housing Affordability Fund.
- a) Member & Director Campaign – solicit contributions from general membership with the following growth targets:
 - i) Continue Line item in the 2007 C.A.R. dues billing statement
 - ii) Continue efforts to encourage local dues billing line items to a \$25 contribution (currently 2 boards out of 118 offer a \$25 line item) – TARGET: 5
 - iii) Increase 2007 non-C.A.R. dues billing line items by an additional 10 local Associations – TARGET: 97 out of 118
 - iv) Increase Board Donations by 50% (currently 23 boards out of 118 contribute) – TARGET: 35
 - v) Increase individual donors to 15% of Members Contributing
 - vi) Increase Pin Donor Contributors to 1000 individual pin donors (Bronze, Silver, Gold, Founder’s Circle)
 - b) Affiliated industry campaign –
 - i) Continue to utilize corporate sponsorship program to support fundraising efforts and leverage member contributions. Continue to explore new opportunities to offer enhanced benefits for sponsorship.
 - ii) Organize the 2nd Annual HAF Golf Tournament
 - iii) Review feasibility of conducting a second large fundraising activity for the Southern California region to be held in addition to the Sacramento Golf Classic.
 - iv) Continue to grow fundraising efforts at the local level to maximize local affiliate support.

B. Three Year Direction

The HAF has revised prior fundraising targets to redirect focus on programmatic success and increased member support. With an outlook of a declining membership base, HAF will place heavy emphasis on renewals and expansion of support among rank and file membership and is seeking to increase contributions by 20% on an annual basis.

- 2007: annual target of \$700,000
- 2008 : annual target of \$850,000
- 2009: annual target of \$1 million

The cumulative target will be achieved through repeated and consistent solicitations of members, directors, and local associations, ongoing solicitations of larger contributions from firms in affiliated industries, and similar solicitations over time from employers that are not affiliated, but which nevertheless have a stake in addressing the housing crisis.

It is expected that demonstrated results in the form of successful projects that are funded by the HAF will, if well publicized, encourage contributions by members and non-members. Thus, it will be essential to actively distribute funds while simultaneously conducting the fundraising campaign.

Continue to provide a comprehensive package of support services to the C.A.R. Housing Affordability Fund, and ensure continuity and consistency of the activities, which meet the objectives of the Fund and the Association.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$106,700
Total Cost	\$186,300
Net	(\$79,600)

HOUSING OPPORTUNITY

A. 2007 Objectives

1. Respond accordingly to any policy, if adopted, concerning alternative funding sources with funds earmarked for local affordable housing programs and other measures directed at increasing the supply of housing in California. [Dialogue currently underway with the Strategic Planning and Finance Committee.]
2. Update and continue to leverage the “Housing Opportunity Tool Kit” to maximize REALTOR® effectiveness in addressing the state’s housing crisis at the local level. Identify local REALTORS® with passion for this issue and continue to identify outlets for them to share information, network and assist local associations in their efforts to address the housing issue. Identify REALTORS® who work with first-time buyers and provide them with information on how then can get involved in the housing issue at their local level. Invite other statewide organizations with an interest in housing issues to participate. Provide resources to local leaders and passionate housing advocates on how to become more successful at addressing local housing issues. C.A.R. will provide a staff facilitator and appropriate materials for these sessions, including copies of the Housing Opportunity Tool Kit. Develop a “First-time Homebuyer Toolkit” in a joint effort with communications, to assist members in identifying resources that will assist first time homebuyers.
3. Conduct 48 outreaches to local associations on how to maximize REALTOR® involvement at the local level on housing-related issues, and to promote the use of the Housing Opportunity Tool Kit.
4. Leverage the information from the renter focus groups and renter telephone survey conducted in 2005 to develop a brochure for renters with information on how to become a California homeowner, financing programs available and key resources.

5. Provide for two affordable housing educational bus tours for appropriate policy committees at two Board of Directors meetings, with the first to be held in conjunction with the Fall C.A.R. BOD meetings in Long Beach.
6. Increase member awareness of California's housing crisis and its potential impact on California's economy through C.A.R.'s various communication vehicles, including information on possible solutions and what an individual REALTOR® can do to make a difference.
7. Schedule three Housing Coordination Team meetings with staff and the chairs of the Housing Opportunity Committee, Housing Affordability Fund and the Local Governmental Relations Committee to ensure appropriate coordination among C.A.R.'s various housing initiatives, with the first to be held in conjunction with the Fall C.A.R. BOD meetings in Long Beach.

The following objectives are currently included, to a great degree in most instances, in existing programs as referenced. The Housing Opportunity Program would be responsible for ensuring that these objectives are being addressed and will help to coordinate and facilitate these activities as needed.

1. At the state level, work in conjunction with the Governmental Affairs Program to ensure that the following policy objectives are placed in consideration before appropriate policy committees which may include:
 - a) Continue the goal and objective that the Housing Opportunity Committee will continue to be the housing policy committee of the Association
 - b) Continue to support density bonus legislation
 - c) Continue efforts to address construction/defect legislation relief
 - d) Continue to encourage coalition building with nontraditional partners
 - e) Encourage lenders to make financing available for mixed-use development and lower cost housing including manufactured housing
 - f) Incentivize compliance with local housing elements
 - g) Work with state officials and policy makers to continue to promote the redevelopment and maintenance of affordable housing.
2. Work closely with local Housing Opportunity Committees. Provide them with information and resources for REALTORS® to work with local officials, promoting "housing friendly" policies and "de-stigmatizing" below market rate housing programs and projects.
3. In conjunction with the Housing Affordability Fund:
 - a) Meet with local associations, association executives and Housing Opportunity Committee chairs to encourage their involvement in housing opportunity activities locally.
4. In conjunction with Communications:
 - a) Publicize the availability of mortgage insurance from the CalHFA mortgage insurance division
 - b) Publicize bill passage, impact on the real estate industry and housing affordability and how REALTORS® can use it to make a difference at the local level
 - c) Hold a Roundtable with local housing specialists to be published in *California Real Estate Magazine*
 - d) Encourage support of the HomeWords Program to further education of homeownership opportunities among young people.
5. In conjunction with REBS, explore and if feasible create a CE course on housing affordability.

B. Three Year Direction

By 2008, C.A.R. will have in place a support structure to harness existing information and resources more efficiently so that local associations can share ideas and reduce the costs of new program development. These materials will provide tools for effective local advocacy, promoting the Housing Affordability Fund and increasing awareness of this issue. A housing coalition will be identified and coalesced. Local associations have established a local Housing Opportunity Committee and have a housing liaison, similar to the legislative liaison program in place for Governmental Affairs. Whenever possible, an effort will be made to utilize our members as resources to educate and outreach to local associations and their communities.

Collaboration with “out of the box” coalition partners continues. Regional housing summits will be held in conjunction with local Associations and coalition partners if local interest warrants. On the legislative front, progress on C.A.R.’s housing issues has been significant. Committed REALTOR® involvement at the local level has increased through the activities of their Housing Opportunity Committees and Housing Opportunity Liaisons. Through this program an on-going dialog and information sharing among local REALTOR® groups is facilitated.

By 2008, the majority of the C.A.R. Board of Director’s and membership will be aware that housing supply and affordability are issues that impact their industry, and are supportive, either through direct involvement or through contributions to the HAF, in working toward viable solutions. Housing Opportunity Liaisons are active in the majority of local associations and they act as one of the key conduits between C.A.R. and the members on this issue. The goals set by the HAF are consistently being met and the supply of housing in the state has been increased as a result of REALTOR® involvement. The long-term success of this program will be measured by the number of new housing units constructed and the number of households who become homeowners as a result of these activities.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$127,600
Net	(\$127,600)

INFORMATION CENTER

A. 2007 Objectives

1. To assist in research undertaken by Member Information, as well as Public Policy, by obtaining additional mortgage loan origination data that is more current and specific as to terms. This information is critical to evaluating the growing risk in the mortgage market of zero-down, adjustable rate and other alternative mortgage products.
2. In order to expedite the services provided by the Information Center, make greater of the Internet and online services to access necessary information. This provides the capability to almost instantaneously obtain many news sources and publications in a digital format that were formerly only available by hard copy by mail.

3. In order to improve storage capability and ease of retrieval, make greater use of digital storage of reports and studies. In a digital format, information can be stored without the burden of voluminous hard copies and can be more quickly and easily disseminated, such as by e-mail. Continue the implementation of a system to catalog all digitally stored documents.

B. Three Year Direction

In light of technological advances, focus on innovative ways to supply the information needs of our members and local associations in an efficient and cost effective manner, including the Internet and C.A.R.'s website. Refine and augment the Information Center holdings and information retrieval capabilities to provide in-depth historical and current information on issues important to the Association. Evaluate the usage of an electronic "clipping service", such as that offered by PR Newswire/eWatch which scans online-based newspapers, magazines and radio and TV news sites for key words or phrases.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$108,600
Net	(\$108,600)

LOCAL ASSOCIATION SERVICES

A. 2007 Objectives

1. Provide two (2) one-day A.E. Professional Development Seminars to be held during the January C.A.R. meetings and C.A.R.'s Convention & EXPO in the fall. Seminars are to showcase speakers/trainers to provide timely information that will enhance the knowledge of the Association Executive. Topics to include, but not limited to: Management issues, legal issues, human resources issues, changing real estate industry issues, leadership development. Evaluate programs for effectiveness and relevance.
2. Plan and coordinate one 1 ½ day C.A.R. Leadership Symposium for Presidents-Elect and A.E.s (approximately 150 people) in the Fall of 2007.
3. Conduct a minimum of one (1) R.O.D.E.O. (Relevant Orientation for the Development of the Executive Officer), a one-day orientation program provided by C.A.R. staff for the new Association Executives.
4. Conduct three (3) orientation programs for new Association Executives on the responsibilities and administrative duties of their position as a REALTOR® Association Executive. These programs to be held during the C.A.R. Business Meeting in January and June, and the Convention & EXPO meeting in October.
5. Work in conjunction with an AE Working Group to explore the feasibility of conducting a 2-3 day California AE Institute to be held once a year at a California location. The purpose of the Institute is to provide education/training on association management and AE professionalism.

6. Conduct 12 field visits to targeted associations and regional MLSs to assist in improving member service. As part of each visit, the A.E. will be asked to rate services/products provided by C.A.R. on a quantitative scale.
7. Conduct 4 regional Association Executive Networking Sessions, using local association facilities for the meetings where feasible. These sessions will consist of three (3) C.A.R. staff members and a minimum of six (6) Association Executives. These sessions will be held from February through October. Follow-up with C.A.R. staff as needed on relevant issues.
8. Compile and edit information for 12 issues of the *California Association Executives Update* (CAEU) a monthly publication delivered electronically on C.A.R.'s website to 118 local Association Executives.
9. Maintain the A.E. Web page with current/relevant information.
10. Provide and fund two (2) scholarships for two (2) California Association Executives to attend the NAR Association Executive Institute in February in San Diego, CA.
11. Organize a dinner for approximately 80 California Association Executives attending the NAR Association Executive Institute in February in San Diego, CA.
12. Plan and coordinate one (1) orientation program for 150 new local association Presidents and A.E.s at the fall C.A.R. Convention and EXPO.
13. Plan and coordinate, in conjunction with C.A.R.'s Communications program, one (1) Media Training Program for Presidents, Regional Chairmen and Committee Chairs during the C.A.R. Business Meetings in January.
14. Oversee the California Latino Homeownership Initiative (CLHI). The program is staffed by a Freddie Mac Fellow with the title of "Hispanic Lending Programs Manager" and will serve as the central point of contact for the California REALTORS® and other entities participating in this initiative. This position is responsible for coordinating the efforts of the participating real estate professionals in the state to more effectively reach the Latino homebuyer through training/education of REALTORS® by offering such programs as the "Tapping New Markets: The Latino Homebuyer" course, that will reach 1,500 REALTORS®.
15. Provide local Associations with educational tools and collateral materials, as well as other information that addresses the courtesy, etiquette and professional conduct of REALTORS®, for dissemination to their members.
16. Work in conjunction with Corporate Legal Services in coordinating the REALTOR.com user group to address members and Association/MLS issues in dealing with CLN and REALTOR.com.
17. Work in conjunction with Strategic Defense to create a risk management video, DVD or other communication channel product to make available to local Associations in California, at no cost to the Associations in California.
18. In conjunction with Research & Economics and Media Relations, develop a monthly "Talking Points" email to be sent to local association presidents. The "Talking Points" will provide presidents with information on the real estate market to assist them with talking to the media or making presentations in their area.
19. Work in conjunction with the MLS Working Group to assist associations in restructuring due to MLS changes/mergers.
20. Assist in the facilitation of a statewide strategic plan symposium.

- 21. Conduct two (2) state-wide conference calls, or webcasts, with Association Executives to discuss “key issues” during the year.
- 22. In conjunction with the Legal Department, work to fully study, and if feasible, provide one Legal Seminar by C.A.R. attorneys to the Association Executives at the October 2007 Association Services Professional Development Seminar. This Legal Seminar would be an excellent opportunity to allow Association Executives to become familiar with the latest legal issues and developments affecting REALTOR® members and associations.

B. Three Year Direction

In 2009, Associations will continue to face an even tougher environment that will challenge their traditional sources of revenue. Competition on all levels and declining membership totals will put a strain on an associations' ability to remain a viable entity. In addition, it is likely that a significant restructure of the MLS environment will drastically reduce MLS revenues to the local Associations. Associations will continue to face the changing real estate business models, and Associations will have to meet these challenges and embrace new opportunities that will provide new avenues to meet member's needs. The role played by Local Association Services in keeping the lines of communication open between C.A.R. and the local associations while showing the value of membership and the consumer value of using a REALTOR®, enhancing education on non-dues income for the local AORs, will be more important than ever.

Local Association Services will provide training/educational opportunities for Association Executives, their leadership and their staff so that associations can be well positioned to meet the changes that will take place over the next three years. Training/educational programs, field visits, and maintaining relevant information on the Web site will assist in accomplishing this.

The MLS will be a major challenge for the Associations and C.A.R. will need to assist them in meeting these changes that will take place when the current MLS business model changes. Association Services will play a major role in assisting the Associations in the possible restructuring of Associations and/or the possible mergers and formations of new Associations. Association Services will work with the local Associations in developing organization structures that would better represent the members and provide optimal value to members.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$439,000
Net	(\$439,000)

MEMBERSHIP DEVELOPMENT

A. 2007 Objectives

1. Schedule C.A.R. staff or leadership presentations to local associations, real estate companies and individual real estate offices that touch 35,000 members. Outreach will be strategically targeted to maximize both the number of members reached and the exposure C.A.R. receives. Programs will be tailored to meet the needs of the specific audience and may include: member benefits, housing market update/economic forecast, legal updates, standard forms, public policy issues updates, educational courses, technology, real estate brokerage industry trends, diversity initiatives, political issues/fundraising.
2. The new member contact program will be significantly redesigned in 2007. New members will be contacted seven times during their first year of membership. First, they will receive an e-mail welcoming them to the organization and verifying their contact information, within one week of becoming a C.A.R. member. In addition, they will receive one mailing after their first month of membership and five e-mails (one every other month) during their first year of membership. The mailing will continue to be personalized and contain important information introducing the new member to organized real estate. Local associations will have the opportunity to include a one-page marketing piece in this mailing. Each e-mail will also be personalized and include information about different member benefits. The last e-mail will contain a survey about the members' satisfaction with the contact program.
3. Update the Outreach Packet two times per year for distribution. Include a survey to measure the effectiveness of packet materials. A total of 45,000 packets will be produced (15,000 for outreaches and 30,000 for local association new member orientations).
4. Schedule and organize at least two Industry Leader Conferences with C.A.R. leadership and staff, north and south, twice a year.
5. Explore support for creating a California "dirty dozen" for the top 12 brokers in the state to meet once a year.
6. Continue conducting office visits and observational meetings with various brokers and managers to find out what their needs are in a changing market. The objective of these meetings will be to determine how C.A.R. can better serve its members. Focus groups/networking sessions with brokers and managers may be scheduled as needed.
7. Develop a database to communicate with top producers through a quarterly e-newsletter. The newsletter will highlight market and industry trends. A readership survey will be conducted online after the first four issues to obtain input about the newsletter.
8. Maintain and further develop the broker/manager section of C.A.R. Online. The updated section will include: list of industry consultants; information on customer service, tools for success, important research and company infrastructure; links to websites; a section for office managers; recent publications and other resources.
9. Produce the *In Management* newsletter six times a year. This newsletter will target the business needs of brokers/owners/managers. An annual readership survey will be conducted online to solicit feedback about the content of the publication.
10. Hold three meetings per year (in conjunction with the C.A.R. Business Meetings) for local association member services staff who work with member communication, marketing, development, etc. The purpose of these meetings will be for local association staff to communicate with each other and C.A.R. staff, exchange ideas, ask questions and receive updated information and training to assist them in serving our membership better.

- 11. Maintain the Cultural Diversity section of C.A.R. Online. This page will be a source of information for local associations and members and will serve as a tool for them to use in addressing their diverse communities and clients.
- 12. Update Member Benefits flyer. The flyer provides a brief overview of C.A.R.’s “top ten” member benefits and serves as a valuable resource in guiding members to additional information. It will be distributed to new members in the new member mailing and the Outreach Packets. The flyer will also be handed out at trade shows and available for local associations to order and distribute to their members.
- 13. Continue producing the Member Benefits Snapshot (a “camera-ready” document with promotional information for local associations to use in newsletters or other member publications) on a monthly basis. This will be distributed to local associations through the *California Association Executive Update (CAEU)* newsletter and the local association member services staff e-mail distribution list.
- 14. Summarize outreach and marketing efforts provided by C.A.R. leadership and staff.

B. Three Year Direction

In preparation for a noticeable industry shakeout by 2009, Membership Development efforts will focus on member retention. We will work closely with local associations on honing the survival skills of our members in a slowing market.

Our communication efforts will be customized for the various member segments we serve (i.e. brokers and managers, top producers, industry leaders, new members, etc.) in an effort to emphasize the value of the organization. Current market conditions have provided an opportunity for C.A.R. to demonstrate its importance and supply members with excellent services.

Building and maintaining relationships with ethnic real estate organizations will continue to be of importance to the Membership Development program as the demographics of our state continue to become more diverse. This will enable us to equip our members with the necessary education and tools to serve clients of various ethnic backgrounds.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$563,100
Net	(\$563,100)

MEMBERSHIP DEVELOPMENT: COMMERCIAL

A. 2007 Objectives

1. Coordinate “Commercial Wednesday” at the annual 2007 C.A.R. EXPO featuring exhibitors, educational seminars and keynote speakers. Utilize a fee-based structure in order to provide quality programming and facilitate value perception. Attract a minimum of 350 paid attendees.
2. Continue to host a yearly commercial roundtable through the California Real Estate magazine. The roundtable is to be attended by principals of leading commercial firms.
3. Work with RCA to customize their website for California. The website is to contain relevant, up-to-date market information for commercial practitioners. It should attract 3,000 unique monthly visitors by year end.
4. Monitor developments concerning a national commercial information exchange currently being explored by RCA.
5. C.A.R. is to work more closely with state institutes and affiliates in the commercial market.

B. Three Year Direction

The program will be evaluated at the end of the year and decisions on continuation will be made. The leadership team will require that an appropriate set of milestones are met in terms of commercial involvement and increasing the number of commercial practitioners.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$33,800
Total Cost	\$73,400
Net	(\$39,600)

RESEARCH AND ECONOMICS

A. 2007 Objectives

Three overriding goals will direct the development of Research and Economics objectives in 2007:

- Create more value-added content that our members can use
- Disseminate that content to members and their clients
- Further streamline and automate processes to free up staff time needed to produce the content.

New and major initiatives for 2007 include:

- Improved market indicators, particularly new leading indicators that will enable C.A.R. and its members better anticipate market transitions (section 1)

- Expanded consumer research of individual market segments and consumer needs assessment (section 2)
 - Additional emphasis on real estate finance research to better track changes in types of loan products, foreclosure activity, and loan fraud (section 4)
 - More frequent and member-friendly communications in formats that are easy to access, read, and use, including greater reliance on online communications media (articles, graphics, podcasts) (section 5)
1. Housing Market and Economic Analysis:
 - a. Monthly Existing Home Survey – Capitalize on the implementation of the Trends Electronic Data Delivery System (EDDS) to increase the number and quality of indicators:
 - i. Statewide indicators: Time on Market distributions, Unsold inventory index by price range, Listings index, Pending home sales index
 - ii. Regional indicators: Time on Market distributions, Unsold inventory index by price range, Listings index, Pending home sales index
 - b. Regional/Board Analyses – Continue to produce a quarterly newsletter for the SFAOR and its members, but streamline production process. (2007-all quarters)
 - c. Publish additional regional and AOR-level housing market statistics on C.A.R. website: supply indicators, historical time series of median prices (2007-Q3)
 - d. Annual housing market survey – annual survey provides detailed look at real estate transactions, results used extensively in staff research and policy analysis (survey in 2007-Q3 and State of the California Housing Market report in 2007-Q4)
 2. Homebuyers and Sellers Analysis:
 - a. Market Opportunities Analysis- Update Market Opportunities PowerPoint presentation with C.A.R. research and outside research to track current and long-term trends in the overall market and in consumer behavior. (2007-01 and 2007-02)
 - b. Internet Versus Traditional Buyer Survey – Highly regarded study that presents a profile of homebuyers, their practices, an assessment of their needs, and their use of the Internet. Report coverage will include profiles of buyer segments: first-time/repeat, buyers by age group, buyers by marital status. Expand coverage to examine prevalence of buyer brokerages and adoption of buyers representation agreements.(2007-Q1)
 - c. California Sellers Survey – Survey reports on experience of recent sellers, survey timed for release at start of peak housing market season. Expand report coverage to include profiles of seller segments: sellers by age group, sellers by marital status, especially single sellers (2007-Q2)
 3. Forecasting:
 - a. Prepare a forecast of the economy & housing market (2007-Q3) for the EXPO, with a mid-year forecast update at end of 2007-Q2.
 - b. Prepare a forecast of membership for the Strategic Planning and Finance Committee (2007-Q3)
 - c. Regional Forecasts - Collaborate with California Economic Forecasting Project to produce regional forecasts of Bay Area, Central Valley, and Southern California. (2007-Q3).
 4. Real Estate Finance Research:
 - a. Expand real estate finance research to track and analyze real estate finance activity, to include but not be limited to: mortgage applications, mortgage originations, refinance activity, home improvement expenditures, and homeowner equity. Collaborate with real estate finance data provider(s) to produce statistics on the California market.
 - b. Analyze risk implications for the housing market of the changing array of loan products, including the threat of increased foreclosure activity and loan fraud, for use in outreach presentations and research publications. (2007-Q1)

5. Member Information:
 - a. Increase dissemination of C.A.R. research through online articles, more statistics online, and more member-friendly easy-to-use reports for marketing literature and listing presentations:
 - i. Tips for Agents - Publish 24 short bi-weekly articles on C.A.R. website, which will also be disseminated to members via Newslines and Research Highlights. These articles will be designed to offer members concise insights to market and industry developments that they can use in their business, marketing literature, etc. Graphics will accompany the articles.
 - ii. Continue current monthly publication of longer (500 word) online articles on housing market and related topics.
 - iii. Publish 12 Research Highlights e-blasts, to be sent out to a distribution list of approximately 5,000, including the InManagement and Industry Leaders distribution lists, as well as CAR Leadership Team, local AOR AEs, SPF committee members and CAR staff.
 - b. Outreach Presentations – In support of Membership Development, Research and Economics to give 90 outreach presentations to local associations, affiliated groups, and other audiences. PowerPoint presentations that are used in conjunction with speeches will be posted on Research and Economics website (2007-all quarters).
 - c. Semi-annual Conference Call Series – Twice-a-year broker conference call series on housing market and economy, available to In Management subscribers and Industry Leaders, to be offered shortly after fall forecast and mid-year forecast update. (2007-Q2 and 2007-Q4).
 - d. Continue Economics/Housing Market Outlook event at EXPO meetings. (2007-Q4).
 - e. Continue coordination efforts with Marketing/Communications to obtain maximum exposure for research in C.A.R. publications. Where possible, align report releases with business meetings and run articles based on C.A.R. Research publications in CRE Magazine (2007-all quarters).
6. Membership Analysis:
 - a. Use of Technology Survey - Conduct survey of member use of technology, which continues to exhibit rapid change. Produce report on survey results that also summarized research findings from other sources(2007-Q3)
 - b. Membership survey – survey measures member awareness of C.A.R. and member benefits, measures member satisfaction, and tracks member use of technology, in conjunction with Strategic Planning and Finance program (2007-Q1)
 - c. Top Producer Survey – Biennial survey of member business practices, productivity, and affiliations (2007-Q3)
 - d. Enhanced Membership Analysis – work with Membership Department to generate more meaningful statistics on C.A.R. membership and the licensee population, that may be used to improve staff understanding of our membership, to improve forecasting efforts, and to better tailor marketing/promotion efforts to member segments.
7. Policy-Oriented Economic Analysis: Assist C.A.R.’s state-level and local legislative efforts on the following key issues: housing crisis (housing affordability, housing shortfall), loan portability, mortgage finance, conforming loan limits, land use/growth controls, and rent controls. (2007-all Quarters)
8. Survey Research Support of Other C.A.R./REBS Programs: Research and Economics has seen a substantial increase in this area, averaging 23 surveys per year over the past 3 years. Surveys for 2007 include:
 - a. Marketing/Communications- Newsletter readership surveys (2007-various quarters).
 - b. Legal – Strategic Defense Risk Management Awareness Survey (2007-Q3), Legal Hotline Survey (2007-Q?)
 - c. REBS Units - SERAC Membership Survey (2007-Q2), SERAC Consumer Survey (2007-Q3), WINForms Customer Satisfaction Survey (2007-Q3), TMP Market Survey (2007-Q1)
 - d. Government Affairs –Member Political Contributions Survey (2007-Q1),
 - e. Human Resources – “Secret Shopper” (2007-all quarters)-administered by R&E
 - f. Operations – Joint Survey of Staff by administrative services and human resources (2007-Q3), C.A.R. Business Meeting Customer Satisfaction Survey of Directors & Committee Members (2007-Q3)

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$33,200
Total Cost	\$862,300
Net	(\$829,100)

STRATEGIC PLANNING & FINANCE**A. 2007 Objectives**

1. Identify and monitor key issues in the evaluation of the real estate brokerage industry, providing opportunities for the committee to be fully exposed to outside opinions and unconventional ideas. Focus on challenges/opportunities and ramifications of legal, political and structural changes to the MLS environment.
2. Monitor the Client Satisfaction Pilot Program approved by the Board of Directors in 2005. Continue dialog on customer satisfaction issues including a “Buyer/Seller Satisfaction survey” that will form the basis of an “Industry Report Card”. Continue to explore the opportunities and ramifications of the ongoing trend toward greater transparency in the real estate transaction.
3. Ensure development, review and approval of Association program packages for 2007 and the 2007 – 2009 strategic plan and budget. Provide appropriate background to ensure informed decision-making including historical context for the evaluation of the current budget and a break out of key areas of expense.
4. Conduct member needs assessment and information/trends gathering efforts, reaching out to specific target audiences: managers, top producers, agents (listing v. selling), brokers in culturally diverse markets, brokers of varying sized firms, nonresidential, nonmember real estate licensees, etc. Conduct the 2007 Membership Survey for review by the Committee at the first two-day offsite. Expand sample size to allow more detailed analysis of specific groups including new members. Monitor trends in other industries and explore applications to the California real estate industry. Focus on preparing members for the next generation of technology, including the transaction management platform (TMP). Conduct an In-Depth Member “Keys to Success” Survey, a qualitative response survey that will identify the attributes and habits of members that contribute to a successful career as a REALTOR®. Survey sample will consist of sales associates and brokers, with differentiated questions for each.
5. Hold one, one-day staff planning meeting in June 2007 at C.A.R. Headquarters to provide the framework for program and budget development for 2008.
6. Provide initial review of all proposed 2008 programs prior to their presentation to the Committee.
7. Monitor and oversee accomplishment of annual Association objectives, spending and revenues, committee structure and mission statements, with Strategic Planning and Finance Committee meetings at each of the 2007 Director's meetings. In addition, hold two additional two-day meetings of the SPF Committee. Conceptualize and approve changes to the plan, and evaluate new objectives and supporting costs for the long-range (or

strategic) plan. Hold a one-day brainstorming meeting in conjunction with the Leadership Conference in December 2007.

B. Three Year Direction

The three-year direction for the Strategic Planning and Finance program continues to reflect the Association's commitment to be an industry and technology leader in a world where membership in the organization and the role of the REALTOR® in the real estate transaction can no longer be taken for granted. To this end, the program continues to develop and refine the Association's planning and budgeting process to achieve increased speed and flexibility in designing and adjusting programs to meet rapidly changing members' needs. Refinements to the planning process will reflect an external and information driven focus, with an emphasis on the day-to-day business activities of the membership. The program will respond to the significant declines in membership expected over the three year planning horizon by challenging the organization to focus on member success with innovative and meaningful new programs and a bias toward change.

Input from key membership segments (ethnic members, top producers, small and large broker/owners, new members, specialties, etc.) will be solicited on a systematic and multi-pronged basis, creating a vigorous and thought-provoking dialog between the Association and its members. Ideas and observations from outside of the industry are also recognized as a critical source of information and ideas to move the Association forward through the planning process and plan implementation. Outside speakers will be invited to address the Committee as appropriate. The Strategic Planning and Finance Committee members are a critical link between this information and the Directors, and have a role as educators/communicators that will become increasingly important in the years ahead. Recognizing the ability of SPF to increase the visibility among the membership, SPF will highlight key issues through innovative programs at the Directors meetings and direct communication to the members.

Less emphasis will be given to activities that do not directly touch the member, such as fine-tuning the Association's committee structure. Greater focus will be placed on the most efficient allocation of volunteer and staff resources, and of financial resources.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$291,900
Net	(\$291,900)

STRATEGIC PLANNING AND FINANCE: CUSTOMER SERVICE/CUSTOMER SATISFACTION PROGRAM

A. 2007 Objectives

1. Extend the one-year pilot program to two-years, under the same cost structure and contract with QSC.
2. Continue to implement the Client Satisfaction Pilot Program including delivering a training program to brokers and their agents, and a client satisfaction survey system for use in their offices. This program is budgeted for 1,500 participating agents as follows.
 - Selection criteria for participating brokers will be established to ensure that participation is distributed across a number of segments to ensure adequate samples for analysis of survey results:
 - Geographically across the state
 - Across firm sizes: Small, Medium, Large
 - Across brokerage models
 Staff will develop and implement a procedure to ensure that brokers are selected and invited to participate in a manner that is consistent with these selection criteria.
 - Participating brokers will be required to share the costs of providing the service with CAR and allow CAR staff to review and analyze survey results. All survey information is proprietary and will not be distributed further unless formally authorized by the participating broker.
 - Brokers and agents will receive training in the benefits of a customer-service approach to business, the advantages of using customer satisfaction surveys to monitor level of care, and how to use customer satisfaction surveys as a feedback tool to improve their business, both in terms of the standard of care and in terms of risk management.
 - Participating brokers will share the costs of the program 50/50 with C.A.R. for training, materials and surveys. Costs for the program are not to exceed the budgeted amount. Cost estimates in excess of those budgeted must be approved by the committee.
 - Additional terms of agreement include but are not limited to: number of participating brokers, restrictions on possible participation in program by current clients.
 - Two- and three-year targets will be established based on based on the results of the program’s in first and second year.
3. Continue to work with REBT, LLC in order to explore the feasibility of adding a customer service survey to the WINForms and/or RELAY product.
4. Ensure program is marketed effectively utilizing several media such as C.A.R. Newslines, CRE Magazine, In Management, C.A.R. Online, etc.
5. Provide resources for web-based applications needed to support the program.

B. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$166,800
Net	(\$166,800)

SECTION VI - OPERATIONS

ADMINISTRATIVE SERVICES/TELECOMMUNICATIONS

A. 2007 Objectives

Administrative Services Objectives

1. Provide equipment and supplies to photocopy 3 million copies on 2 mid-range copiers, 2 color copiers, and 5 walkup machines for daily use. Reduce overall copier costs and usage by 10 percent.
2. Process all incoming and outgoing mail and packages.
3. Provide ongoing information to staff that will aid in the reduction of mailing cost by posting mail rate information on the intrasection, for each carrier used by the association. Rate information will be updated quarterly or more frequently if rate increases occur. Provide a representative to attend Postal Council seminars and demonstrations that will benefit C.A.R.
4. Manage offsite archive storage for files. Encourage staff to use the appropriate detail when archiving files. Provide materials for an annual clean up day focused on review of files tagged for destruction at year end.
5. Support the use of digital media as a means of reducing cost and enhancing availability of archived materials and assist in the development of guidelines to determine whether or not a document should be scanned and added to the new document management system. Provide support for approximately 200,000 pages of existing documents that external sources will scan and index for inclusion in the new system.
6. Support planning and development of space for additional staff as needed. Manage common areas of the headquarters facility, such as printer stations, conference rooms, the lobby, employee break room, employee exercise room, and the kitchen, to ensure that they are clean and well organized, and stocked with appropriate supplies (i.e., paper and toner at printer stations, paper and plastic ware in kitchen and conference rooms) on a daily basis. Ensure that access ways inside and outside of the building are clear of obstructions and unsightly materials in order to prevent accidents and to enhance the work environment.
7. Maintain an ergonomic work environment for staff by providing the appropriate chairs, desks and accessories.
8. Update current non-inventory items and add new non-inventory items in the Purchasing module. Evaluate and complete a cost comparison of products provided by office supply vendors by the end of the third quarter.
9. Replace personal printers at the end of their lifecycle with 2 standard models. Equipment standardization will reduce the time spent in processing purchase requests, maintaining additional inventory of toner, and shelf space for the product.
10. Update "How To" instructions for all association equipment (audio, video, copiers, etc.) and post in the appropriate space on the intrasection by March 30, 2007. Provide monthly hands-on mini-training sessions for all interested staff. Participate in new employee orientations.

11. Maintain a tracking system for service requests and a satisfaction survey for our internal customers with a targeted goal of 100 percent satisfaction. If feasible, create a unified internal Operations Help Desk to provide a central location for all staff requests for assistance by March 30, 2007.
12. Support the implementation and data import to the fixed asset module. Expected completion by March 30, 2007.

Telecommunications Objectives

13. Provide reliable voice and data systems to support voice, fax and e-mail communications, with a level of reliability exceeding 99.5 percent. Continue implementing the recommendations of the telecommunications consultant in order to complete the hardware and software integration which is part of the centralized contact center. Incorporated technological advances such as wireless and Internet based telecommunication. Support audio/video conferencing. Coordinate the outside service providers responsible for maintaining the telecommunications system and associated servers and applications.
14. Provide trunk lines, T-1 lines and other phone lines as required to support the telephone system in order to maximize the efficiency of the Association staff and minimize the number of busy signals received by callers to the organization.
14. Provide additional T-1 lines to support data and e-mail systems in order to maintain a continuous high speed connection to the Internet to allow the efficient use of email communication and data transmission inside and outside the organization.
15. In conjunction with the responsible service providers, monitor hardware and software that comprise the telecommunications system to identify potential problems, and resolve those problems prior to failure. Servers and software applications associated with the telecommunications system include, but are not limited to, the main telephone switch, voicemail, unified messaging, call recording, interactive voice response, customer relationship management, customer satisfaction survey tool, call routing system, call accounting, and presence based communication.
16. Provide for outside vendor support to respond to emergency repairs within 4 hours at all times. Provide for outside vendor support for routine maintenance, including moves, additions and changes, within 24 to 48 hours. Provide internal support for emergency MAC (moves, adds and changes) if required in less than four hours.
17. Provide helpdesk support for users, serving as an initial point of contact for questions or concerns about the telecommunications systems. Prioritize requests for information or assistance, and notify management and outside vendors as required.
18. Provide basic training for users of the telecommunications systems during periodic new employee orientation sessions, and in sessions designed for all employees to be held twice each year.
19. Analyze long distance costs and make recommendations regarding service providers at least three months prior to the expiration of any contracted long distance service. Provide long distance calling cards to authorized employees and Officers, and monitor their usage.
20. In conjunction with the IT Infrastructure Support program, identify short and long term telecommunications needs, and prepare a written plan to document projected requirements before June 1, 2007. Utilize a consultant to assist as necessary to complete this requirements document, and to provide strategic planning for the Association's telecommunications requirements, including investigating and evaluating new technologies.

21. Provide a central point of administration for Association owned mobile telecommunications equipment, including cell phones and other wireless devices. Order new mobile devices, arrange for repair of existing devices, configure devices if feasible, and maintain limited number of replacement devices on hand for emergencies. Research and evaluate new products, and make recommendations to management.
22. Provide a central point of administration for conferencing services used by the Association, including web conferencing, telephone conferencing and video conferencing. Establish accounts with service providers as necessary, and distribute information to employees regarding the most efficient and cost effective means to achieve objectives.
23. Provide internal call reporting to include incoming and outgoing call activity. Customized reports will be provided upon request.

B. Three Year Direction

Review and continue to provide for the space and equipment needs of the California Association of REALTORS® staff. Along with Human Resources, explore the feasibility of developing a youth mentoring program that exposes students to the numerous career paths in the real estate industry. This is an opportunity to provide a community service, contribute to the student’s career development, and ultimately increase the talent pool for future employees.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$872,300
Net	(\$872,300)

BOARD OF DIRECTORS

A. 2007 Objectives

Governance

1. Refine and update the Online Committee Recommendation System to support the annual selection and appointment of committee leadership/membership and subcommittee/task force positions for the following year. Make the Recommendation System available effective May 1 or sooner. Conduct a three-day meeting with the incoming Leadership to make committee leadership and key committee appointments by July 31. Conduct an additional two-day meeting prior to September 30 to appoint remaining volunteer positions. Continue to develop and implement methods to streamline the recommendation and appointment process and to maintain historical records of volunteer service to the Association, utilizing the membership database software-system. Enable online access to pending recommendations and active appointment records and allow members to accept their appointments online. In conjunction with the NAR Liaison program, coordinate a process for the selection and recommendation of Californians to serve on NAR Committees.

2. Coordinate two Nominating Committee meetings to facilitate the nomination of C.A.R. officers (President-Elect and Treasurer in odd numbered years, President-Elect only in even numbered years). Coordinate the procedures for all candidates seeking a C.A.R. officer position and provide for the collection of background information on the respective candidates by a firm specializing in personal, legal and financial background checks. Continue to encourage the use of streamlined procedures for the selection of NAR Directors and Directors-for-Life. Utilize technology by posting online all candidate information and other appropriate documents, when feasible.
3. Maintain the Association's official Board of Directors/Executive Committee minutes and records and maintain duplicate copies in electronic format at an offsite location in conjunction with the Information Technology Program. In conjunction with the Association's Membership Database, maintain records of the appointment of Directors and Delegates. Utilize the new document management system, if approved, to facilitate storage of documents and retrieval of records based on keyword search.
4. Conduct an innovative annual Leadership Conference for the incoming Executive Committee, Committee Liaisons, Regional Chairs, committee chairs, staff and other invited guests following the last business meeting of the year, incorporating leadership training and orientation sessions to educate members as to their responsibilities as Directors and develop future Association leadership. Conduct a new Directors Orientation session at the first business meeting of the year, and implement improvements recommended by the Regional Chairs and the participants from the previous year. Optimize the role of volunteer leadership in promoting the vision of C.A.R. and providing valuable input from the membership.

Business Meetings

5. Provide for the business meetings of the Association.
 - a. Plan and make all logistical arrangements for the coordination of three Directors' Business Meetings, and provide limited on site support for standing committees of the Association and for the Board of Directors session. Arrange for other meetings and activities during the Business Meetings as appropriate, including subcommittees, task forces, working groups, EXPO activities, leadership development programs, and educational and networking opportunities. Accommodate spin-off events on a space available basis. In conjunction with Research and Economics, conduct a brief survey of Directors at the time of the fall meeting to determine their level of satisfaction with Business Meeting locations and logistics (hotel quality, meeting facility adequacy, program schedule, etc.).
 - b. Provide resources for multimedia presentations at key general sessions, such as the Member/Director Forum, and continue the real time display of motions and amendments during the Board of Directors' Session. Provide for minimal decorations at key general sessions to enhance the overall atmosphere of the Business Meetings.
 - c. Provide travel and housing arrangements for officers, limited staff, Sergeants at Arms, special guests, NAR and Hawaii AOR Officers, and a parliamentarian at the Business Meetings. Provide for a room block in the headquarters hotel for approximately 250 Priority Guests, including Executive Committee, Committee Liaisons, Regional Chairs, Committee Chairs, Past and Honorary Presidents, Credentials and Sergeant-at-Arms Committees, Directors for Life and members with special physical needs, with reservations to be handled by the individual attendee via internet registration. Arrange for a block of approximately 600-650 additional rooms at the headquarters hotel and at other convenient properties for other Directors and Committee Members as appropriate, with reservation requests to be handled by the Association Executives via Internet registration. Closely monitor the housing process to emphasize reduced risk to the Association in contracting for room blocks. Maintain a standardized on-line registration system to streamline overall

business meeting registration/housing process. Additionally, in conjunction with the EXPO Program, continue to refine the registration process for the annual Fall EXPO and Business Meetings.

- d. Provide tentative committee meeting schedules and hotel information to Directors and committee members in Q3 for next 3 business meetings via e-mail and Internet communications. Disseminate approximately ten annual Director Updates via e-mail to the same group prior to each meeting and in between meetings. Make this information available on C.A.R. Online. Use C.A.R. Online to publicize activities that are open to local members. Distribute copies of committee motions to the Board of Directors at each meeting, and follow up within one week with a Summary of Action Items posted on C.A.R. Online. If feasible, utilize multi-media technology to display select motions to the Board of Directors, reducing the cost of distributing copies of each motion.
 - e. Conduct a limited number of special meetings of task forces appointed to address specific strategies or issues to meet business requirements of the association between Business Meetings.
 - f. Provide a parlor for Past and Honorary Presidents, California Distinguished REALTOR® Award recipients, and their guests at each business meeting. Host one annual Past Presidents dinner for approximately fifty VIP's and guests, and host a luncheon for approximately fifteen Past and Honorary Presidents' spouses at the last business meeting of the year. Provide a stipend to C.A.R. Past Presidents for their attendance and participation at the C.A.R. Business Meetings in order to defray their expenses and to retain the valuable resource this group represents. Past Presidents whose guest room or other expenses are already covered by their local Association, C.A.R. or NAR must reimburse C.A.R. for that portion of the stipend. Prorate the stipend amount for any Past President who is unable to attend the entire meeting.
 - g. Host an Executive Committee Dinner at each meeting for approximately sixty-five Committee Members, Committee Liaisons, VIP's, and their guests.
 - h. Host a Regional Chairs Dinner at each meeting for approximately thirty-five Regional Chairs.
6. Plan and execute an Installation for 2007 Officers and Directors at the January 2007 meeting, and begin planning the 2008 Installation program. Provide for approximately 146 complimentary tickets for Incoming Officers, and for members of the Executive Committee, Past and Honorary Presidents, Committee Liaisons and current CDRA recipient.
 7. Identify and contract with meeting facilities for Directors' Business Meetings and the EXPO through fall 2012. Implement a standard schedule for presenting future meeting recommendations to the Executive Committee, which would call for approval of the June, fall and January meetings at the June meeting approximately 5 years in advance. Improve negotiating positions and attempt to reduce costs by maintaining an accurate history of total meeting business generated by the California Association of REALTORS®, and by assisting staff in planning for unique meeting requirements.
 - a. Identify and maintain information on Association volume of events to secure better contract terms from individual properties or hotel chains and enhance historical data to include smaller Association meetings.
 - b. Continue to proactively educate C.A.R. & Subsidiary staff on the benefits of utilizing Meeting Services resources for planning all Association meetings. Benefits include better contracts with hotels, reduced rates through volume business, reduced attrition charges, reduced meeting room rental rates and other discounts not ordinarily communicated by hotel.

- c. Monitor and document existing meeting planning resources for negotiating and contracting various Association small meetings.
 - d. Conduct periodic in-depth site inspections for the purpose of contracting facilities for future large and small Association meetings. Ensure overall quality and specifications of facilities meet the Association's level of expectations.
8. In conjunction with the Membership Development Program, assist with coordination of inviting other real estate organizations to meet during the Business Meetings. Support initiatives to attract new participants to the Business Meetings by providing activities dealing directly with industry and business issues or other activities, which would be of interest and provide value to REALTORS®.
 9. Continue to explore feasibility of implementing Event Planning software to further enhance internal capabilities for Meeting Planning. Components to include:
 - Event Registration for January & June Business Meeting and other smaller Association meetings (Advance & Onsite)
 - Housing/Hotel Reservation Requests
 - Food & Beverage Planning
 - Meeting Room Assignment and Set up
 - Budgeting
 - Audio Visual
 10. Provide professional photography services to take individual portrait style photographs of Directors and Members at the January 2007 Business Meetings. Photographs will be digitally processed into the format suitable for the member to place on individual member's web page on Association website.

Other

11. If feasible, create a unified internal Operations Help Desk to provide a central location for all staff requests for assistance by the beginning of Q3.

B. Three Year Direction

Continue to provide all Association meeting arrangements with maximum efficiency and minimum cost. Reduce overall expenses by eliminating those activities that do not contribute to the development of Association policies by the Board of Directors, and by limiting the number of staff in attendance at the business meetings. Utilize e-mail and the Association's Internet site to communicate with Directors and committee members. Continue to reduce overall Association meetings costs by maintaining a centralized meeting department. Continue to monitor and track use of meeting planning resources associated with site inspections, negotiating and contracting meeting locations. Investigate the potential for new technologies relevant to the future conduct of meetings, including those technologies, which facilitate participation by a broader segment of the membership. Explore the feasibility of conducting virtual meetings for task forces or working groups that must meet between scheduled sessions.

In conjunction with the Membership Development Program, assist with coordination to accurately reflect the state's demographics in our committee structure by continuing to increase the diversity of members serving on Association committees and working groups. Make efforts to implement mechanisms to reach out to traditionally under-represented segments of the membership and licensee population and to firms with significant numbers of members.

In conjunction with the Internet Development, Information Technology and Membership Programs, enable full member access through C.A.R. Online, to updated committee and director information, which can be viewed and sorted in a variety of ways. Review and study new methods and technologies for the conduct of business meetings, and for the committee recommendation and appointment process, with an emphasis on allowing the Association to make more rapid decisions, and reducing the costs involved in traditional meeting formats. Consider the increased use of task forces or working groups in lieu of standing committees wherever possible.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$71,600
Total Cost	\$1,353,100
Net	(\$1,281,500)

BUILDING

A. 2007 Objectives

1. Update and maintain an inventory manifest of furniture and fixtures.
2. Implement the approved 2007 capital budget by purchasing and tracking the expenditures designated as building fixtures or equipment.
3. Continue to review long term space planning to optimize existing space utilization and/or accommodate future growth as needed for increased staffing levels.
4. Ensure the safe and legal disposal of toxic building supplies and/or equipment (i.e. florescent lights, batteries, monitors, computers)
5. Add additional electrical power needed to support computer servers that will be added in 2007.
6. Replace pipe to the fixture drains and faucets on the 2nd 3rd and 4th floors by year end if approved in the capital budget.
7. Refurbish the restrooms on the 2nd, 3rd, and 4th floors by year end if approved in the capital budget.
8. Replace one rebuilt compressor, heating blower motor, air dryer system and evaporator coils.

B. Three Year Direction

Continue to provide the daily maintenance needed to maintain this asset. Because key components have been in place for over 40 years, replace building fan controllers, pneumatic controls and rebuilt compressors with new updated equipment as needed.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$862,100
Net	(\$862,100)

C.A.R. MANAGEMENT**A. 2007 Objectives**

1. Fulfill all internal executive management functions for the effective operations of the Association and its subsidiaries. Encourage continuous improvement, establish performance standards, and measure accomplishments and customer satisfaction levels. Focus on staff recruitment, development and training, with a strong emphasis on technology, in conjunction with Human Resources. Develop appropriate metrics to evaluate performance in these areas by June 30, 2007.
2. Maintain appropriate contacts to formalize ongoing exchange services and information with management of major corporate real estate organizations operating in California a minimum of twice a year. Meet with the leadership of real estate entities from under-represented segments of the state's real estate practitioners.
3. Participate in, HOPE Awards, regular meeting with various affordable housing groups and other appropriate housing forums.
4. Provide regular reports and information on the performance of the Association's for-profit subsidiaries. In conjunction with research, ensure that member and industry input is given to the subsidiaries for their consideration.
5. Continuously monitor the Association's customer service quality and consistency through customer satisfaction surveys or "secret shopper" contacts, with particular emphasis on areas that directly affect member satisfaction. Telephone skills and training sessions will be provided to the Association staff as needed. An analysis and written report will be provided by outside contractor to C.A.R. on individuals and departments contacted.
6. Develop and implement systems to measure Association productivity within various program areas. Provide systematic internal reviews of a minimum of two programs.
7. Enhance local outreach by conducting 12 owner/manager/AOR outreaches.
 - Represent C.A.R. at a minimum of 3 industry meetings (such as AEI, RisMedia).
 - Participate in a minimum of 3 Association planning sessions.
8. Establish a top producers outreach/focus group initiative to include a minimum of 6 focus groups by June 30, 2007.
9. Expand efforts to provide members with information on ancillary services industry trends.

- 10. Create and maintain internal tracking of C.A.R. organizational performance and publish monthly Association overview.
- 11. If feasible, create a unified internal Operations Help Desk to provide a central location for all staff requests for assistance by June 30, 2007.

B. Three Year Direction

This program will continue to fulfill the essential internal management role required to operate the Association in an efficient and effective manner. Policies adopted by the Board of Directors are implemented under the supervision of management. Increase use of technology throughout the Association. Increase direct member contact in all applicable Association programs. Promote outstanding customer service. Create member and management hybrids that reflect the unique organization of C.A.R. and its subsidiaries.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$560,300
Net	(\$560,300)

C.A.R. SCHOLARSHIP FOUNDATION/C.A.R. EDUCATION FOUNDATION

A. 2007 Objectives

- 1. Mail a letter and brochure promoting availability of awards to each college and university in California by August 31, 2007. Update or place new listings on scholarship search related websites.
- 2. Increase the profile of the C.A.R. Education Foundation through the organization’s existing media vehicles, including but not limited to: California Real Estate magazine, CAEU, and C.A.R. Newslines. Where appropriate, increase collaboration with Communications to create an effective marketing and media strategy to heighten awareness about the Education Foundation and its benefits for scholarship recipients, for the community, and for the real estate industry. Submit an article to be considered for publication in California Real Estate magazine. Include a call for scholarship applications in Newslines and in the CAEU newsletter before each meeting. Prepare statements after each meeting that will appear in C.A.R. Newslines to announce scholarship recipients.
- 3. Assist the Directors of the C.A.R. Education Foundation with a fundraising campaign. Emphasize the importance of raising seed money for the new Foundation. Implement a mechanism, as directed by the C.A.R. Education Foundation Directors, for allowing contributors to honor others with their donations, such as the named perpetual fund strategy utilized by the C.A.R. Scholarship Foundation. The fundraising plan will utilize the C.A.R. channels described below, as well as other avenues to raise funds.

- a) Member campaign –
 - A minimum of two direct solicitations of the entire membership which may include an e-newsletter and an insert in CRE Magazine
 - Include C.A.R. Education Foundation materials in C.A.R mailings when possible (Industry Leaders, new member mailings, outreach packets)
 - Create web page on C.A.R. Online with information and instructions for contributors to make a donation
 - Outreach to local associations by committee members, the Directors of the C.A.R. Education Foundation
 - b) Director campaign – The C.A.R. Education Foundation will have a booth, run by volunteers, at the C.A.R. EXPO in the Exhibit Hall, and a booth at the January and June Business Meetings in the Registration area, if approved by the C.A.R. Education Foundation Directors. In addition, the Chairman will make a presentation at the Board of Directors Sessions.
4. Process an average of 20 completed scholarship applications for each of the three scheduled Business Meetings, and assist other interested applicants. Respond to approximately 10 general inquiries via telephone, mail or e-mail per month, and update the consolidated C.A.R. Education Foundation/C.A.R. Scholarship Foundation Application and website information three times per year. Facilitate development of a process for grants and awards for the C.A.R. Education Foundation which will begin in 2007. Design and print an informational brochure intended for students and other applicants. Follow up with all student applicants after each meeting with written communications regarding the outcome of their application.
 5. In conjunction with Financial Management, prepare monthly financial statements of investment, revenue and expenditure activity of the C.A.R. Scholarship Foundation Trust and of the C.A.R. Education Foundation.
 6. Maintain a database of past C.A.R. Scholarship Foundation Award Recipients to identify their level of involvement in the Real Estate Industry and to solicit their support of the C.A.R. Scholarship Foundation and the C.A.R. Education Foundation. Communication will be sent to C.A.R. Award Recipients once a year by November 15.

B. Three Year Direction

Continue to provide a comprehensive package of support services to the C.A.R. Scholarship Foundation and the C.A.R. Education Foundation, and ensure continuity and consistency of the activities, which meet the objectives of both Foundations and the Association.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$10,000
Total Cost	\$23,900
Net	(\$13,900)

CUSTOMER CONTACT CENTER

A. 2007 Objectives

1. Increase the quality of staff responses for member contacts and inquiries by utilizing structured systems for quality control, such as FAQ database (CRM), record and monitor 25 phone calls per contact center employee per week, and conduct customer service surveys, achieving a satisfaction rating of 90% on phone surveys and 80% on email surveys.
2. Maintain an abandonment rate of 10% or less.
3. Work with C.A.R. Web Development staff, WINForms Product Development, REFormsNet, REBS, REBT, and Communications and Marketing to reduce the number of WINForms support calls during the renewal and form change periods..
4. Provide support and answer approximately 20,300 calls from members and local associations regarding membership records.
5. Provide case intake support to answer approximately 85,400 C.A.R. Legal Hotline calls from members utilizing the prescreening script approved by the Contact Center and Member Legal Management teams
6. Provide support and answer approximately 3000 local associations and member product order calls.
7. Provide support and answer approximately 35,000 WINForm calls and evaluate technologies to provide automated assistance.
8. Provide automated responses to email inquiries that contain self help information. The number of emails is estimated to be approximately 37,200.
9. Provide first call resolution to problems 90% of the time, tracking each member call in the CRM database. Follow up after researching information or transfer call to an appropriate specialist 10% of the time.
10. Offer each caller an option to participate in a real time telephone survey to determine satisfaction of customers contacting C.A.R. and achieve a 90% level of satisfaction.
11. Work with Membership and the Internet Development programs, to enhance the membership record update process, verifying that the daily synchronization of Rapattoni, NRDS, VMS and other online databases perform as scheduled. Correct errors in membership records when feasible, and notify local Associations of errors when necessary.
12. Maintain the CRM knowledge base and publish additional information as needed and integrate WINForms related publications from REFN to assist with answering technical inquiries.
13. Refine and create informative hold messages for each queue offering answers to FAQ's and create customized holiday greetings to be used through out the year.
14. Provide customer support beyond the traditional business hours by enhancing night recordings; offering recorded FAQ's and self help web links.

15. Enhance the process for other C.A.R. departments to inform the Customer Contact Center staff of new products and member mailings.
16. Answer 75% of all legal hotline, Product Services and Association calls within 2 minutes and 70% of all WINForm calls within 3 minutes. This service level is impacted by the increase of Legal Hotline prescreening questions which increases the agent talk time and the number of FTE's needed to answer the current call volume at the previous service level targets. Provide quicker service to members that enter their Member ID into the phone system when prompted, making overall service effective.
17. In conjunction with the Internet Development program link the CRM knowledge database to C.A.R. Online contingent upon the upgrade to CRM 3.0.
18. Implement Customer Contact Center Staff meetings to appropriately facilitate information sharing and training. The date of the meetings will be coordinated with the all staff meeting from 8 am to 9:15 am.
19. Develop a formal email response section within CRM for all staff to utilize when responding to routine member inquiries.
20. In conjunction with the Membership Department educate local AORs about the importance of populating NRDS with complete data to improve the car.org validation process.

B. Three-Year Direction

Develop an increasingly flexible and effective centralized customer contact center, with superior response capabilities and limited proactive contact capacity, producing a measurable positive result on key elements of customer satisfaction. Subsequent projects are contemplated in 2007 and 2008 to provide additional self help options for members, further enhance the capabilities of the customer contact center and to improve customer service levels.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	0
Total Cost	\$466,800
Net	(\$466,800)

FINANCIAL MANAGEMENT

A. 2007 Objectives

1. Provide detailed financial statements

Monthly

- a. C.A.R. Program Managers on the 15th of each month.
- b. REBS Program Managers on the 15th of each month.
- c. Senior management reports to E.V.P. and V.P. Team on the 15th of each month.
- d. HAF Program Managers
- e. PAC Program Managers
- f. Product mall sales
- g. REBT, Inc Program Managers
- h. SAREC Program Managers
- i. C.A.R. Scholarship Foundation
- j. C.A.R. Education Foundation

BOD Meetings

- a. Strategic Planning and Finance
- b. REBS, Inc.
- c. SAREC, LLC
- d. REBT Inc.
- e. HAF
- f. C.A.R. Scholarship Foundation
- g. C.A.R. Education Foundation
- h. PAC

Other

1. Officer Travel/Meeting Expense reports to Strategic Planning and Finance Committee Vice Chairs quarterly.
2. Work with Corporate Legal Department to review the corporate structure of all the subsidiaries to see if there are better alternatives to hold title and assets in light of legal, political and tax concerns.
3. Maintain internal audit procedures for C.A.R. and subsidiaries.
4. Enhance and standardize financial software for C.A.R and subsidiaries.
5. Provide officers with monthly web-based financial reports.
6. In conjunction with REBS, analyze the current product mall system to allow customers to order products online and ensure the accuracy and timelines of transmitting the product mall sale into the accounting system. Make a recommendation by June 30, 2007.
7. Provide support for electronic commerce initiatives, including online sales and fundraising efforts and online event registration.
8. In conjunction with the R.E.B.S. Member Services Center Management, study barcode system to enhance the inventory control by June 30, 2007.

9. Provide cross training among financial management staff as needed.
10. Enhance and update the financial management information, policies and procedures on the Intranet.
11. Update and maintain C.A.R. policies and procedures to ensure the compliance with the standards of Generally Accepted Accounting Principles (GAAP).
12. Facilitate the government and outside auditors to ensure compliance with regulations:
 - Worker's Compensation
 - BPA (magazine circulation audit service provider)
 - State Board of Equalization
 - Fair Political Practice Commission
 - Federal Election Commission
 - Franchise Tax Board
 - City Assessor's Office
13. Implement the recommendation by outside auditors to enhance internal control procedures for financial software, membership and information technology systems.
14. Analyze the overhead cost allocation to other entities by July, 2007 and adjust charges accordingly.
15. Maintain E-payment collection for member dues in conjunction with Membership and NRDS. In conjunction with Membership, explore the feasibility of collecting annual State Association membership dues through recurring credit card charges or automatic payment systems. Explore the feasibility of establishing a service or subsidiary entity which would collect local and National Association dues for local Associations.
16. Study and implement online banking system, automated bank reconciliation, electronic deposit of checks and Automated Clearing House deposit of dues from Local Associations.
17. Study and implement the automation of accounts receivable by utilizing electronic invoices and payments to ensure the timeliness and reduce cost of collections by September 2007. Also, maintain an efficient Accounts Receivable collection policy to collect at least 93 percent of outstanding accounts within 30 days for REBS and 80 percent for C.A.R.
18. Study and analyze the online credit card processing to ensure the efficiency and security of credit card information by July 2007.
19. Based on the results of the 2006 study, implement electronic expense reimbursement system to standardize the payment process, control costs, improve taxes and regulatory compliance by second quarter of 2007.
20. In conjunction with Human Resources, implement the e-Payroll system to streamline the processing of payroll and attendance records by first quarter of 2007.
21. In conjunction with Human Resources, maintain ADP HR/Profile to have an up-to-date and accurate employee information system.
22. Study and implement the automation of filing federal form 1099-MISC that is required by the Employment Development Department for services performed by an independent contractor by first quarter of 2007.

23. Provide status of IMPAC and CREPAC/BORPAC funding requests and contribution history for each individual member through C.A.R. online.
24. In conjunction with Political Affairs, administer flexible local PAC funds allocation system, IMPAC-BORPAC exchange program and process PAC contributions through the membership system.
25. In conjunction with Membership, maintain and enhance the automated processing of PAC and HAF contributions from AOR to the membership database by providing a standardized electronic format to be used to transmit data to C.A.R. in a timely manner by the local AOR's. Also, provide REALTOR® Action Fund information and check remittance procedures to the annual Rapattoni User Group meeting.
26. In conjunction with Political Affairs, study the feasibility of acquiring new PAC software to enhance the record keeping of Political expenditures by district.
27. In conjunction with Political Affairs, maintain the online contribution process to include acknowledgements and thank you letters to the contributors and send out notification of declined transactions.
28. Support C.A.R.'s Governmental Affairs program and outside legal consultant in preparing lobbyist activity reports and periodic filing of IMPAC and CREPAC/BORPAC financials to the FEC and FPPC.
29. Provide C.A.R. and subsidiary's financial statements and necessary schedules for outside auditors to complete the 2006 year-end audits by March 31, 2007.
30. In conjunction with Human Resources and Corporate Legal, monitor the activity of the retirement program administrator and trustee. Provide support to outside auditors for a certified audit of the C.A.R. Retirement Program, to be completed by July 31, 2007.
31. Monitor the activities of the Investment Advisors who have been designated to invest and reinvest the principal and accumulated income in the Association's investment accounts within the guidelines of C.A.R.'s investment policy.
32. Work with outside consultants to review investment advisors performance, seek recommendations to update current investment policies and present the recommendations to the Strategic Planning and Finance Committee by August 2007.
33. Analyze and present an annual report to C.A.R.'s senior management showing Association and subsidiary financial trends for the last 5 years, highlighting areas of growth and areas needing improvement, by May 31, 2007.
34. Maintain a purchase order requirement for inventory, supplies and capital purchases.
35. Analyze existing programs and work with various managers to provide additional customized reports to improve business decisions.
36. Work with senior management regarding merger and acquisition issues for C.A.R. subsidiaries. Consolidate systems throughout the organization where feasible to do so.

- 37. In conjunction with Local Association Services and Membership, explore the feasibility of providing membership services to local associations for a fee, through C.A.R. or through a subsidiary entity that would be established for this purpose. Membership services may include but are not limited to updating and monitoring the NRDS system, developing a member dues statement, collecting dues payments from individual members and assisting local associations with quarterly member recruitment efforts with the use of DRE data.
- 38. If feasible, create a unified internal Operations Help Desk to provide a central location for all staff requests for assistance by the end of the 2nd quarter/beginning of the 3rd quarter.

B. Three Year Direction

Continue to develop and modify computer software packages used in financial management activities of the Association, increasing efficiency and effectiveness, and allow real time availability of financial data to program managers. Investigate feasibility of making real time data available to customers via the Internet.

In conjunction with the Information Technology, Internet Development and Membership programs, further develop the financial software to provide financial services to local associations and other firms using the C.A.R. Web Site. Improve the data synchronization between C.A.R. and NAR NRDS membership systems.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$1,219,000
Total Cost	\$841,800
Net	(\$377,200)

HUMAN RESOURCES

A. 2007 Objectives

- 1. Implement effective programs to monitor and improve employee performance levels.
 - a. Provide a minimum of one training or refresher course for managers on performance appraisal documentation, effective writing and presentation.
 - b. Ensure that every employee attends a minimum of one work-related seminar (technology or professional) per year. Attendance to be documented on the Performance Appraisal.
 - c. Ensure completion of all performance appraisals on a timely basis.
 - d. Conduct an annual employee satisfaction survey in the third quarter and present results to Senior Management.
- 2. Provide for the training and development needs of the Association and subsidiary staff.
 - a. Provide a minimum of one staff onsite customer service or related training.

- b. Work closely with management to target individual training needs and assist in identifying internal or external training sources to meet those needs.
 - c. Attain 100 percent participation for all Association and subsidiary staff in at least one training session during the year.
 - d. Offer at least two management-training sessions on subjects such as effective performance management, risk reduction, workplace harassment, and supervisory skills.
 - e. Provide, as needed, individual computer and other training through outside instructors.
 - f. Explore computer-based training and videos for onsite individual training. Include training on typing skills/speed for support staff, advanced use of Microsoft Word, and other applications training.
 - g. Explore and offer Online anytime training on available topics for employees who may prefer this approach. Online training is available in the office, at home or on the road at any time.
3. Provide for the recruitment and staffing needs of the Association and subsidiaries.
 - a. Engage in basic recruitment and retention efforts to attract top quality staff and to reduce turnover of key employees.
 - b. Assist management in the staffing process (job description, advertising, recruiting, interviewing, new employee orientation, employee retention, training and development, termination). Develop a standard timeline to guide management through this process.
 - c. Recruit and retain approximately 15-20 high value employees who best fit the position requirements, relying primarily on outsourcing.
 - d. Conduct new employee orientation sessions within 2 weeks of hire date. Enhance the new employee orientation program with information about the Graphic Standards Manual, Internet, IntraSection, PC usage, equipment training, the structure of C.A.R. and Subsidiaries, NAR, the business meetings and EXPO, and C.A.R. as an organization.
 - e. In conjunction with Local Association Services, have new employees attend a RODEO to be held once each year.
 - f. Maintain updated job descriptions for all positions.
 4. Refine the formalized exit interview process and conduct and document an exit interview with each separating employee, results to be shared with senior management. Investigate the feasibility of instituting an anonymous survey of separated employees with results to be compiled on an annual basis.
 5. Provide and administer activities which encourage a cohesive and positive work environment throughout the organization including:
 - Daily Business Casual Wear
 - Monthly Breakfast Staff Meetings
 - Quarterly Staff Lunches
 - Monthly Informal Human Resources Lunches with Rotating Employee Groups
 - Take Your Child to Work Day
 - Dodger Night
 - Computer Loan Program
 - Tuition Reimbursement Program
 - Staff Birthday Recognition
 - Staff Holiday Party
 - Staff Development Day (training/field trip)
 - Employee Spirit Days
 - In-House Training Seminar for Managers

- In-House Training Seminar for Support Staff
 - C.A.R. Family Day
 - Staff Holiday Gift
 - Staff Wedding Gift
 - Staff Baby Shower Cake
 - Administrative Professionals Day
 - Service Award program
 - Public Transportation Subsidy
 - Free Employee Parking
 - Employee Patio/Lunch Area
 - Employee Lounge/Lunch Room and Recreational Equipment
 - Employee Exercise Room
 - Staff Discounts for Movie Tickets and Local Attractions
 - Membership to Discount Stores/Credit Union
 - New Employee Lunch with the Executive Vice President
 - Employer Assisted Housing Program
6. Administer an effective compensation and benefits program for the Association and its subsidiaries.
- a. Research and recommend an aggregate merit increase budget by July 2007 for the following fiscal year.
 - b. Revise and present a detailed compensation plan by November 1, 2007 for the following fiscal year.
 - c. Create and produce Benefits Letter to staff in the first quarter.
 - d. Encourage standardizing the timing of merit increases and performance reviews.
 - e. Administer health, vision, dental plans, and retirement benefit plans and other benefits, and recommend appropriate changes for the following fiscal year. Create effective incentives for employees to reduce C.A.R.'s overall medical costs. Consider engaging a consultant to assist in the evaluation of the Association's pension plan administrator and the performance of the pension plan funds.
7. If feasible, create a unified internal Operations Help Desk to provide a central location for all staff requests for assistance by the end of the 2nd quarter/beginning of the 3rd quarter.

B. Three Year Direction

Continue to meet the business needs of the Association and its subsidiaries through a spirited and prepared staff. Encourage and develop a continuous improvement process philosophy throughout the organization that allows for challenging the way things are done, encourages employee suggestions, creativity, and innovation, and builds organizational flexibility and strength. Enhance the training and skills development program available to staff internally, and promote the availability of appropriate external training opportunities. Utilize outsourcing to minimize costs while maximizing the level of expertise which may be brought to bear on HR issues.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$160,000
Total Cost	\$3,667,600
Net	(\$3,507,600)

INFORMATION TECHNOLOGY: DESKTOP SUPPORT**A. 2007 Objectives**

1. Replace 100, 5+ year old Pentium 3 computers to create a desktop infrastructure that will support future implementations of Windows Vista and Office 2007 and/or any other applications or utilities that may be released over the next 5 years. Purchase and deployment of the computers is set to occur by June 30th, but may be subject to coincide with the deployment of Windows Vista and Office 2007.
2. In conjunction with the Infrastructure Support and Administrative Services/Telecommunications programs, assist with the installation and support of video conferencing hardware and/or software on a maximum of 10 computers. Installation and configuration will take place during Q1 2007.
3. If feasible, create a unified internal Operations Help Desk to provide a central location for all staff requests for assistance by March 30, 2007. The existing I.T. help desk support software will either be integrated into or consumed this new help desk.
4. Assess appropriate Apple Intel-based computers as to their abilities to fit into a Windows network and their abilities to run Windows programs with or in programs such as Parallels or Apple Boot Camp by March 31st.
5. To enhance staff's ability to perform their work, provide various utilities and programs that are available at no cost on the web but do not contain spyware or any other malicious software. Some of these programs include but are not limited to Google Earth, Picasa and iTunes and will be installed by July 31st.
6. Where appropriate, update machine images to include the installation of any programs that are identified by July 31st. Additionally, when creating the images, attention will be paid to configuring the programs so they do not allow staff to access prohibited content or save files not allowed on network drives. (Ex.MP3s, Movies, M4Ps) Evaluation and identification of the programs will occur in the 3rd quarter. This date may be impacted by the deployment of any new machines or testing and deployment of Windows Vista and Office 2007.
7. In conjunction with the Infrastructure Support program, test and investigate the feasibility of deploying and supporting Microsoft Windows Vista and Microsoft Office 2007. Some of Desktop Support's primary tasks in this objective include but are not limited to:
 - Intensive testing in areas such as, but not limited to, compatibility with current enterprise applications (Rapattoni, Epicor, Agile, etc.), current enterprise hardware, and computer management.
 - Testing and evaluation of the software's ability to be imaged using the current desktop cloning software.

- Testing and evaluation of the impact of group policy on Vista and Office 2007.
- The assessment of training required to bring staff up to speed on the new software as well as the time required to develop and deliver the training and any time required once the staff have gone through the training.

Testing by the I.T. programs will begin once a final product has been released to corporate customers (currently set for November 2006). If the above is completed and it is found that there will be no significant issues with deploying the new software a timeline will be set for the deployment and staff training.

It is not beneficial to immediately upgrade all general staff machines to Windows Vista and Office 2007, and the software does not impact the ability of high visibility staff to perform their duties, then those high visibility staff members will be upgraded to Windows Vista and Office 2007. Note - The REBT & REFN technical staff will be invited to take part in the testing and discussions as well as assist in the deployment if their schedules and workload permit to better prepare them for any deployment of Vista or Office 2007.

8. Assist the Financial Management program in the yearly audit that occurs during the first quarter of the year by providing staff time, computer resources and information as requested by the auditors.
9. Assist the Financial Management program with the implementation of electronic expense reports.

B. Three Year Direction

The ongoing objective of the I.T. desktop support program is to provide technology based tools and services driven by the strategic objectives of the organization with a focus on providing ease of access to services at a reduced cost. I.T. Desktop Support will continually develop and maintain standardized desktop software and hardware, to the extent possible; providing a consistent level of support, and working to ensure the most minimal amount of downtime for all staff.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$222,400
Net	(\$222,400)

INFORMATION TECHNOLOGY: INFRASTRUCTURE SUPPORT

A. 2007 Objectives

10. Accommodate increased network activity as a result of additional staffing/subsidiary activity, video conferencing, larger file transfers, and document storage. Prepare for future network and internet connectivity needs (VOIP, increased multi-media) including but not limited to network connectivity with C.A.R. subsidiary offices.

- Assess the LAN/WAN topology and set-up to ensure it is designed in a way that best suits current and future needs and making changes where deemed necessary.
- Replace (11) 10/100 network switches and add where needed network switches that will support the higher speed capabilities of current and future workstations and laptops.
- Establish network connectivity with REFN and REBT that is similar to or exactly like the current WAN connection with the Sacramento office.
- Assess the current abilities of the building's internal network cabling to support higher speed connections and run new cabling where needed to enable increased speed.
- Replace the current internet connection with one that provides substantially increased speed and has flexibility that will allow set up of a fast, secure and reliable connection with any C.A.R. remote or subsidiary office while also allowing for fail-over situations.
- Replace internet connectivity equipment as required.
- Install dedicated internet connectivity where needed by C.A.R. Web or REBT development staff.

Initial meetings with REBT and REFN staff is currently scheduled to occur during the 3rd quarter with the work to be completed in the 4th quarter. This schedule may be subject to changes as a result of new desktop deployment and/or Microsoft Vista and/or Office 2007 deployment and will be adjusted so that it is properly timed to avoid any conflicts.

11. Investigate the feasibility of consolidating hardware/software purchases and/or purchasing power with REFN and REBT by April 30th.
12. In conjunction with the Administrative Services/Telecommunications program, further enhance staff collaboration and video conferencing abilities as well as all staff meeting dynamics with:
 - The purchase, installation and support of video conferencing software and/or hardware for the 1st Floor Boardroom
 - The purchase, installation and support of hardware and/or Software that will allow selected desktop and/or laptop users to conduct video conferences with the Sacramento meeting room, Wiedmann Conference Room, and new 1st floor boardroom.
 - The purchase, installation and support of lighting equipment for the Wiedmann Conference Room and new 1st floor boardroom.
 - The design, purchase, installation and support of a new podium for the Wiedmann Conference Room.

Installation and configuration are planned to occur during the 1st quarter of 2007.

13. Assess appropriate Apple Intel-based computers as to their abilities to fit into a Windows network and their abilities to run Windows programs with or in programs such as Parallels or Apple Boot Camp by March 31st.
14. Create a working group of C.A.R. & REBS staff during the 2nd quarter to test and assess Windows Vista and Office 2007's abilities to perform daily user tasks, interaction with current enterprise applications (Rappattoni, Epicor, Agile, etc...) and its potential impact in our communications with our members.
15. In conjunction with senior management and any other applicable programs, determine and establish steps for the restoration of e-mail service for C.A.R./REBS in the event of a disaster situation. Planning will begin in the 1st quarter with the assessment of the current e-mail infrastructure. Determine what level of e-mail will be needed and what form of desired e-mail communication will be needed. Where possible REBT and REFN technical staff and resources may be utilized to help determine the steps and architecture including the possible use of REBT and REFN equipment and/or internet connectivity.

16. Prevent any security breaches and access of company data by ensuring that the data network and servers are secure. Perform a security audit and implement any security fixes during the 1st and 3rd quarter.
17. If feasible, create a unified internal Operations Help Desk to provide a central location for all staff requests for assistance by the end of the 2nd quarter/beginning of the 3rd quarter.
18. Assist the Financial Management program in their yearly audit that occurs during the first quarter of the year by providing staff time, computer resources and information as requested by the auditors.
19. Assist the Financial Management program with their implementation of electronic expense reports.

B. Three Year Direction

The ongoing objective of the I.T. Infrastructure Support program is to provide technology based tools and services driven by the strategic objectives of the organization with a focus on providing a reliable and stable network and server infrastructure, and reducing ongoing operational costs

I.T. Infrastructure Support will continually develop and maintain standardized network and server hardware and/or software as well as industry standard policies and procedures, to the extent possible, providing a consistent level of support, and working to ensure the minimal amount of downtime for all staff, while also looking to reduce the costs of external support resources by becoming more proficient in the systems implemented at C.A.R. and its subsidiaries.

I.T. Infrastructure Support will be working and preparing with Administrative Services/Telecommunications to determine the future of the phone system including but not limited to the possible implementation of VOIP technology within the organization and its subsidiaries sometime in the next three to four years.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$681,600
Net	(\$681,600)

INTERNET DEVELOPMENT

A. 2007 Objectives

C.A.R. Online and Other Web sites

1. Continue management, support and development of C.A.R Online and its Content Management System (CMS). In addition, continue management and support of Internet Web and databases for the C.A.R. Newsletter system, ClientDIRECT and SAREC.
2. In conjunction with Communications and Marketing, and the subsidiaries, participate in the planning and vendor selection process for replacing the current Content Management System (CMS) of C.A.R. Online and the integration of web services. This will include consolidated systems that will support functions such as

post/bulletin boards, video and audio on-demand, an e-Commerce module for online shopping, PAC, Housing Affordability Fund, and Scholarship contributions. When completed, this redeveloped structure will be the backbone of all future C.A.R. Online initiatives. Provide tools and support for staff content contributors to publish information on C.A.R. Online and other Web sites throughout the organization.

3. In conjunction with the Research and Economics program, develop a unified database of current and historical housing data, and develop a single web based system for developing internal reports. Create an interactive system for members and customers to retrieve housing data online.
4. In conjunction with Member Legal Services, provide an online searchable knowledge base of non-transactional legal questions that can be accessed by members. This system will provide a resource for members that will help reduce calls of this nature to the Legal Hotline, and be available 7 days a week, 24 hours a day.
5. Ensure that reliable, cost effective Web site hosting arrangements are in place for Association and subsidiary Web sites, and that a high level of data security is maintained in all Association Web environments.
6. Maintain records of registration of all domain names of Association and subsidiary Web sites, and of potentially useful domain names registered for future use. Renew registrations as required. Proactively determine if new Association and subsidiary initiatives require domain name research and registration. Continually review and ensure that the supported Web sites are listed with all the appropriate online search engines/directories/newsgroups/etc.
7. Continue to provide resources and support for the C.A.R. Customer Contact Center. Allocate staff and development time to assist as needed with feedback technology, knowledge base web integration and deployment of other customer service tools, including online feedback polls and survey management tools.
8. Implement the following enhancements online:
 - a. Refine and implement the customizable portions of C.A.R. Online, such as “My C.A.R.”, to better meet the needs of members. Review and refine other key web pages and features, such as the Free Member Web Pages, “Find a REALTOR®,” “Feedback Form,” “Contact Us” and the overall login process to improve functionality and simplicity.
 - b. Participate in the implementation of a unified login process to allow members to access other C.A.R owned subsidiary sites, such as the product malls, RELAY™ and ClientDIRECT, without using multiple login processes. Modify the existing WINForms® unified login process as required.
 - c. Support the WINForms® and RELAY™, validation/registration process by making periodic modifications to these portions of C.A.R. Online as required.
 - d. Utilize online feedback tool allowing users to rate their satisfaction level with their C.A.R. Online experience. Utilize this data, in conjunction with traffic statistics, as well as Staff recommendations, to improve site functions and features, and to provide content editors and the Communications and Marketing program with suggestions for content improvements.
9. Provide ongoing support of a language translation tool that makes possible the automatic translation of C.A.R. Online pages from English to Spanish. Explore options to provide translation tool for additional languages such as Mandarin Chinese, Cantonese Chinese, and Korean. This tool would be established as a consolidated resource for all other C.A.R. and subsidiary sites.
10. Provide accurate Web site traffic statistics and analysis of this data in a monthly report to management for all supported Web sites. In conjunction with Communications/Marketing and other programs, explore and recommend ways to increase Web site traffic and to monetize such increases where feasible.

11. In conjunction with the Financial Management and Membership programs, redesign PAC Balance publishing system and continue to provide password protected quarterly financial statements and PAC balances for on-line viewing/downloading by local Associations.
12. Participate in the selection and implementation of a new centralized ad management tool, which can be applied to C.A.R. Online, other Web sites and the various newsletters.
13. Support the Customer Contact Center as it responds to telephone and e-mail inquiries from members/customers regarding various features or functions of C.A.R. Online and other supported Web sites.
14. Provide support to the ongoing enforcement of the C.A.R. Document Retention Policy and assist content editors in properly maintaining content archives. Schedule and coordinate an official annual website clean-up day with staff content contributors and editors. The purpose is to update, organize and remove outdated content from C.A.R. Online and other sites.
15. Enhance the Web site's search capabilities to offer Web section specific searching for C.A.R. Online users, allowing visitors to refine searches to specific content and returning more accurate search results, by the end of Q1 2007.
16. Explore enhancement to the "Find A REALTOR®" Member Web pages by offering the use of Pod Cast attachments, such as video and audio clips or other types of personalization. In addition determine if linking to the member's ClientDirect newsletter is possible. Make recommendations by June 30, 2007.
17. Continue to enhance and expand the C.A.R. Toolbar and explore areas where the RSS can be applied, such as a Newsline or WINForms® channel, and expand the audience of existing publications, programs and Web sites.
18. Upgrade communications system between WINForms Online® and C.A.R. Online to a Web service model which will allow WINForms Online® to be served within the REFN Web server cluster by the end Q2 2007. Currently the WINForms Online® system operates independently from the rest of the REFN server farm, constraining efforts to effect load balancing and quick software upgrades.

E-blast and Messaging System

19. Maintain a comprehensive mass e-mail messaging system for a variety of electronic communications products, including C.A.R. Newsline, Realegal, Virtual Advocate, WINForms® Today, Legislative Liaison Networker, In Management, Research Highlights, SRES Members Memo, CAEU, C.A.R. Member Update, Informer, REBS Product Update, New Member Welcome Letter, and others, as well as generic "e-Blasts." Allow for personalization of newsletters in order to show the member's name, NRDS number, and the e-mail address subscribed. Enable members to subscribe or unsubscribe to these products through automated processes. Allow for up to 24 local Associations to submit content and co-brand the Newsline product each week, and allow for up to 8 local Associations entities to submit content and co-brand Virtual Advocate. Train staff content providers to utilize the messaging system.
20. Incorporate the newsletter and e-blast creation and delivery process into a unified system for managing all email communications tools, or upgrade existing software that supports this capability.

21. Continue to evaluate current e-mail delivery statistics compared against e-mail database(s) to identify blacklisting/spam listings and ensure the membership continues to be able to receive the various newsletters and e-blasts. In addition, maintain compliance with AOL Terms of Service of email delivery to their members, to avoid email delivery from C.A.R. from being undelivered. This will require weekly attention.
22. Continue to provide development, support, statistics and hosting support for ClientDirect newsletter and Lyris system.

Other

23. If feasible, create a unified internal Operations Help Desk to provide a central location for all staff requests for assistance by the end of the 2nd quarter/beginning of the 3rd quarter.

B. Three-Year Direction

The Internet Development Program will be part of a team of resources that will provide support for the ongoing development and maintenance of all Association and subsidiary Web sites. Major efforts will be directed towards establishing a framework of consolidated web services for the creation and management of all C.A.R. and subsidiary Web sites.. Objectives of this program will be aligned during this period with the specific objectives of the Association and the business plans of the subsidiaries, in an effort to provide proactive support.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$735,800
Net	(\$735,800)

LEADERSHIP TEAM

A. 2007 Objectives

1. Provide support for the Leadership Team to conduct Association business, and hold up to seven in-person meetings of the Leadership Team in between scheduled C.A.R. and NAR meetings.
2. Provide support for up to twenty Presidential Regional Visits, emphasizing contact with brokers and managers in targeted areas of the state, and reaching out to non-Directors and other membership segments. Combine more than one Region per visit as warranted.
3. Conduct two planning sessions: one with the current Leadership Team and one with incoming Leadership Team to establish annual priorities and areas of emphasis consistent with the strategic plan. Include senior management at an off-site location with the current Leadership Team to discuss and implement Association priorities. The seven Committee Liaisons will attend one Leadership Team Retreat.
4. In conjunction with Media Relations, perform media spokesperson assignments as required.

5. Attend RealTrends, REConnect, or other conferences as required to support the Association’s strategic objectives.
6. Facilitate limited staff and leadership participation in the activities of allied industry groups.
7. Provide for gifts, memorials and miscellaneous contributions for past C.A.R. officers and REALTOR® members of the Association.
8. Provide electronic equipment (i.e., Treo, computer and printer, fax machine) for incoming officers including consulting and training.
9. Provide general secretarial support for President, President-Elect and Treasurer during their term of office.

B. Three Year Direction

Provide support for the Leadership Team to represent the Association membership in promoting the policies adopted by the organization, and to consider and implement policy as required between meetings of the Directors.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$484,400
Net	(\$484,400)

MEMBERSHIP

A. 2007 Objectives

1. Continue to update the C.A.R. core membership database and C.A.R. Online with adds and changes from the NRDS system on a daily basis. Maintain information for additional non-member customers, as needed. Continue to evaluate the availability of a real-time access interface between NRDS and the core membership database.

Rapattoni Download Schedule

	1 st	2 nd
	* Request For Adds and Changes From NRDS at 8:00 a.m. daily	Upload Data To Rapattoni 12:00p.m.
Monday	Request Adds and Changes	Update Rap. With Sunday’s request for adds and changes
Tuesday	Request Adds and Changes	Update Rap. with Monday’s request for adds and changes
Wednesday	Request Adds and Changes	Update Rap. with Tuesday’s request adds and changes
Thursday	Request Adds and Changes	Update Rap. with Wednesdays request for adds and changes
Friday	Request Adds and Changes	Update Rap. with Thursday’s request for adds and changes
Saturday	Request Adds and Changes	Update Rap. with Friday’s request for adds and changes

C.A.R. Online Upload Schedule

	3rd	4th	5th
	Download Data From Rap.	Send Data To Verite For The Online update	Upload Data To VMS
	To Send To Verite	11:55 p.m.	6:00 a.m.
	10:00 p.m.		
Monday	Download Data from Rap.	Send Rap. Data File to Verite For Tuesday's upload	Update VMS with Sunday's Upload from Rap.
Tuesday	Download Data From Rap.	Send Rap. Data File To Verite For Wednesday's Upload	Update VMS with Monday's Upload from Rap.
Wednesday	Download Data from Rap.	Send Rap. Data file to Verite For Thursday's upload	Update VMS with Tuesday's upload from Rap.
Thursday	Download Data from Rap.	Send Rap. Data File To Verite For Friday's Upload	Update VMS with Wednesday's upload from Rap.
Friday	Download Data from Rap.	Send Rap. Data file to Verite For Saturday's upload	Update VMS with Thursday's upload from Rap.
Saturday			Update VMS with Friday's upload from Rap.
Sunday	Download Data from Rap	Send Rap. Data File To Verite For Monday's Upload	

2. Continue to proactively monitor the records within the core membership database as well as NRDS for the purposes of managing data integrity. Support other departments with meeting their data enrichment objectives.
 - Run various reports identifying inaccurate data and supply the information to the local associations on a monthly basis (for example, records with missing real estate license numbers, duplicate member records, etc.).
 - Continue to temporarily correct mailing addresses by applying the U.S. Postal Service national address correction database to the core membership database on a monthly basis prior to running the magazine mailing list.
 - Continue to augment the C.A.R. customer database with zip+4 and legislative district information monthly. Collect/update member e-mail addresses.
 - Continue to purchase the California real estate licensee database from the Department of Real Estate and update the core membership database with this data on a monthly basis. Provide this information to C.A.R. staff and local associations to help facilitate the recruitment of non-member licensees, and to validate DRE license status for members as needed.
 - Referenced below are the scheduled utilities that are run weekly within the core membership database for the purpose of data integrity.

Rapattoni Utility Schedule

Monday	Tuesday	Wednesday	Thursday	Friday
Upper/ Lower Case Utility	Rebuild Member Full Name	Rebuild Office Name	Find and Correct Illegal data	

3. Provide ongoing support to the Customer Contact Center, handling inquiries which require specialized knowledge or expertise, and utilize the CRM software application to track customer contacts.

4. In conjunction with Membership Development, visit local associations to further educate local association membership staff on the use of the NRDS system and membership policies such as the Designated REALTOR® Dues Formula and Board of Choice. C.A.R. membership staff will also provide local association membership staff with the most recent tools developed to communicate member benefits to the membership. C.A.R. membership staff will visit an average of two local associations per quarter. In addition, C.A.R. membership staff will conduct one (1) on-site Key Membership Staff User Group meeting. Membership staff will continue to evaluate the success of the program to determine future improvements.
5. Provide monthly communications to Association Executives and their key membership staff by supplying informative emails or information to include in the CAEU Newsletter that relate to membership processing. Provide specific guidance to local Associations with respect to the proper procedures for setting up and maintaining main and branch office records in the NRDS system.
6. In conjunction with Financial Management continue to enhance the monthly financial statements for on-line viewing and downloading.
7. In conjunction with various other programs, develop a member dues statement for the year 2008. Proactively encourage participation in the free C.A.R. dues statement service from local associations who have not participated in the past. Statements will be provided to all local associations requesting service and will be delivered no later than the first week in November. For those local Associations that do not use the C.A.R. member dues statement, assist them in modeling their statements to meet C.A.R. objectives and all legal requirements. Ask that they include any supplemental inserts provided by C.A.R. with their member-billing packet. It is estimated that 82% of the local Associations, representing approximately 35,000 members, will utilize the free C.A.R. member dues statement service.
8. Assist internal and external customers with special request reports generated from the C.A.R. core membership database using various reporting software. Actively promote and encourage the use of established reports that may assist in meeting objectives in other programs. Provide monthly access to frequently requested reports that can be viewed or printed from the intrasection.
9. In conjunction with Local Association Services and Financial Management, explore the feasibility of providing membership services to local associations for a fee, through C.A.R. or through a subsidiary entity that would be established for this purpose. Membership services may include but are not limited to updating and monitoring the NRDS system, developing a member dues statement, collecting dues payments from individual members and assisting local associations with quarterly member recruitment efforts with the use of DRE data.
10. In conjunction with Financial Management, explore the feasibility of collecting annual State Association membership dues through recurring credit card charges or automatic payment systems. Explore the feasibility of establishing a service or subsidiary entity which would collect local and National Association dues for local Associations.
11. Support Local Association Services by providing online content regarding Membership policies and assisting with educating new Association Executives on the use of the NRDS system. Maintain and update the Membership Policy Manual on C.A.R. Online.
12. Assist the Financial Management and Political Affairs programs with the automated process which allows local associations to submit political contributions and HAF contributions in an electronic format to be uploaded to the membership database. Continue to educate the local association staff on the usage of these electronic files.

13. In conjunction with Human Resources, proactively educate C.A.R. staff on the use and availability of membership information with an emphasis on becoming familiar with the data and the relevance to their work. Develop an online audio or video training of Rapattoni and how it relates to membership, which will allow continuing education for C.A.R. staff. Advanced training will occur at least once a quarter and will involve the development of written materials and education classes.
14. In conjunction with Information Technology, provide assistance with the planned Rapattoni system upgrade as appropriate.
15. If feasible, create a unified internal Operations Help Desk to provide a central location for all staff requests for assistance by June 2007.

B. Three Year Direction

Take an active role in the on-going collection and processing of core customer/membership data. Work to promote the development of a real time interface that will provide members more rapid access to services and benefits. Ensure that the databases are kept up to date and that the accuracy rate of the data is at a 90+ percent level (with the possible exception of data purchased from outside sources). Provide internal and external customers with various reports to effectively communicate with members and non-members. Continue to educate the local association membership staff on NRDS, the importance of collecting demographic data and on the various membership policies. Support the Customer Contact Center by acting as back up during peak periods. Work with Information Technology to upgrade the Rapattoni system as appropriate.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$209,000
Net	(\$209,000)

NAR DIRECTORS' TRAVEL

A. 2007 Objectives

1. Provide for the attendance of approximately 116 NAR Directors and Committee Chairs from California at 2 NAR meetings, including approximately 39 State Association appointed NAR Directors, approximately 57 Local Association appointed NAR Directors, approximately 8 Large Firm appointed NAR Directors, and approximately 12 other NAR Directors or NAR Committee Chairs otherwise not compensated. (The Strategic Planning and Finance Committee anticipates that 10 percent of the NAR Directors will not attend one of the two meetings.)
2. Current NAR and C.A.R. elected officers (4) and past NAR Presidents from California (4) would not be funded out of this particular program. However recipients of the National Distinguished REALTOR® award (5) and NAR Committee Chairs not serving as Directors are included, as well as California NAR Committee members serving on the NAR Executive Committee, Strategic Planning Committee, Legal Action Committee, Finance

Committee, Issues Mobilization Committee, and RPAC Trustees, who are not otherwise compensated. Local Associations or affiliate organizations are encouraged to participate in sharing the costs of funding.

3. Refine the established individual performance standards for service as an NAR Director, and communicate to NAR Directors that the achievement of these standards is a requirement for funding. Pro-rate the stipend amount for any NAR Directors who are unable to attend the entire meeting.

B. Three Year Direction

Ensure that California maintains a strong and consistent presence at the NAR Directors meetings.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$505,100
Net	(\$505,100)

NAR LIAISON

A. 2007 Objectives

1. Coordinate up to two meetings of the Leadership Team with NAR leadership and staff on nonlegislative policy matters.
2. Provide support for a California candidate for NAR, in compliance with the NAR Campaign and Election Process.
3. Develop format for NAR Directors to report on actions taken at the NAR meetings to their respective regions and to appropriate C.A.R. committees and expand the NAR Directors' Forum agenda to include committee action reports.
4. Coordinate the attendance of the President, President-elect, Treasurer, Executive Vice President and spouses/guests at the Hawaii Association of REALTORS® Convention in Hawaii.
5. Provide funds for 1 international real estate fact-finding trip for President, President-Elect and spouse/guest.
6. Provide for the attendance of the Executive Vice President at 2 meetings with the State Association Executives.
7. Provide airfare and incidentals for Executive Vice President and President to attend the NAR Leadership Summit held each year in Chicago. NAR reimburses for the cost of the room.
8. Schedule a breakfast meeting to enhance communications between the leadership teams of C.A.R. and the Hawaii Association of REALTORS® at each NAR meeting.

9. Provide a contribution to NAR for the HOPE Awards that are presented at the NAR MidYear meeting in Washington, DC.
10. Ensure that California NAR Directors enter their committee leadership/membership recommendations in the NAR Committee Recommendation Database no later than May 31, 2007. Review and rank additional recommendations by mid-June. Review the committee list that will be provided by NAR. Provide additional feedback to NAR by mid-August. Ensure that the new NAR Directors are assigned to a committee by September 30.

B. Three Year Direction

Maintain NAR liaison activities at essential minimum levels. Continue to refine the reporting system by which NAR Directors are held accountable to the State and their respective local associations. Continue to process California's committee leadership and member's recommendations for consideration by NAR. Monitor C.A.R.'s effectiveness at the National level. Monitor proposed changes to NAR's governance structure, including the number of NAR Directors and the number of meetings.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$456,000
Net	(\$456,000)

SECTION VII – OTHER PROGRAMS

WINFORMS®

A. 2007 Objectives

1. Foster an environment that will ensure a REALTOR®-centric electronic transaction for real property commerce, by targeting 120,000 WINForms® registered users who use the single-user, multi-user versions of WINForms® by December 31,2007. This will achieve a penetration of 65 percent of the entire C.A.R. Membership.
2. Continue migrating users from network version of WINForms to the Broker version of WINForms Online® offering greater functionality, better user interface, ease of access, lower support and distribution costs. Achieve a 50 percent migration by year end.
3. Provide information to our current WINForms® Desktop users to help them decide if continuing with the use of the desktop version is the right solution for them or if the Online solution is superior solution for their needs. This will be accomplished through an information campaign integrated with:
 - WINForms® Training and Webinars
 - WINForms® Website
 - WINForms® Bi-Monthly Newsletter
 - InManagement Broker Communication

This will assist our Members to make an informed decision between the options that are available to them by the end of 2007.
4. Provide appropriate training modules and educational opportunities to support the WINForms® software products by the end of 2007.
 - a. Conduct 40 training sessions (15 in Northern CA, 10 in Central CA, and 15 in Southern CA) to members and turn them into committed users of the software products.
 - b. In addition, WINForms® staff will conduct 30 more training sessions via a Webinar format. These efforts will help reduce travel costs, teach REALTORS® virtually, and boost up the adoption of the WINForms® Desktop and WINForms Online® software. Online sessions will be recorded and the best will be made available for Member use on demand.
 - c. Continue to provide WINForms® Quick Start Kit with CD – the member benefit package, which includes step-by-step instructions of how to access WINForms® Desktop and WINForms Online® software – to the members.
5. In conjunction with Research & Economics and RE FormsNet, conduct user satisfaction surveys on the WINForms® software products and recommend identifiable changes, improvements and software additions by the end of 2007. WINForms® staff will maintain a serialized list of customer requests for enhancements and will review those with RE FormsNet quarterly.

6. In conjunction with RE FormsNet, improve existing WINForms® processes to reduce the overall support costs to the California Association of REALTORS® to support WINForms®. The processes include but not limited to Single-User renewal process, Multi-user and Network order and renewal processes, and migrating networked installations to the WINForms Online® software. This improvement will help provide a positive customer experience. This objective was completed for 2006, and remains an ongoing effort to improve the WINForms processes.
7. In conjunction with Communications, explore the synergy between the Homeowner’s Guide and WINForms® standard download by the end of 2007.
8. In conjunction with the Research & Economics, Information Technology, and Internet Departments, reduce percentage of members who call C.A.R., RE FormsNet, and Tech Hotline for downloading WINForms® software support by 33 percent by the end of 2007. Explore novel process changes to reduce calls related to identify management and user credentials to improve the likelihood of success for first time users and new members.

B. Three Year Direction

WINForms® software has been part of the C.A.R. membership dues for five years since 2002; it has attracted over one hundred and ten thousands members who have used WINForms® Desktop and over sixty seven thousand members who have used WINForms Online® software. Developed by RE FormsNet, WINForms® and ZipForm® are the most widely used industry-specific real estate software nationwide. WINForms® is the top widely used *quantifiable* C.A.R. benefit. Many MLS members join C.A.R. membership in order to access WINForms® at no charge. By providing forms software as a member benefit, C.A.R. will ensure that our members continue to be at the forefront of effective and efficient REALTOR®-centric transactions and ready for RELAY™, REBT, LLC’s transaction management system. By continuing to provide adequate customer service and technical support, C.A.R will ensure that its members have positive customer experience with its products and services.

C. Total Cost of Program Approved by the SPF Committee

	2007
Revenue	\$0
Total Cost	\$2,477,300
Net	(\$2,477,300)