

Guidelines for the Senior Officers of the Board

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Introduction

To ensure that volunteer leaders have the resources and support necessary to fulfill the business needs of the Association and nation's housing industry, NAHB has established these Guidelines addressing a wide range of issues. These Guidelines for the Senior Officers of the Board ("Guidelines") attempt to balance the requirements of the Association with needs of the volunteers serving as Senior Officer of the Board Leadership while keeping in mind standards of accountability and transparency for non-profit organizations.

Candidates for Senior Officers of the Board are encouraged to familiarize themselves with the Guidelines upon certification as nominees for Senior Officer of the Board and, if elected, to adhere to the Guidelines. Any questions should be directed to the Management staff of the NAHB Operations Group. The NAHB Operations Group can help clarify application of the Guidelines to individuals serving as Senior Officers of the Board.

** Throughout the Guidelines all pronouns and any variations thereof refer to the masculine, feminine or neuter genders as the context may require.

Article 1: Guiding Principles

- A. The Principles outlined below govern the Guidelines by which Senior Officers of the Board operate. The Guidelines specifically illustrate how the Principles are to be addressed through the ongoing business actions of the Senior Officers of the Board team.
- B. Many of the Principles span the various resources necessary to support the Senior Officers of the Board and to enable them to fulfill their responsibilities as volunteer leaders of this Association. The Principles are presented below in groupings specifically addressing: Business Practices, Stipends, Travel and Registration, Tickets, and Events.

Section 1: Core Principles

- A. NAHB is committed to ensuring that the member leadership has resources necessary to effectively lead the Association and industry while balancing the demands of business, family and a leader's individual health throughout his tenure.
- B. NAHB is committed to allowing each Senior Officer of the Board to lead the Association with as minimal negative impact on his business and personal health as is permitted by NAHB's tax-exempt status.
- C. NAHB's resources are limited. Budgets for the Senior Officers of the Board must reflect both the limited resources and the Association's critical priorities.
- D. In acknowledgement of their leadership role within the Association and the significant personal time commitment given to the Association over and above that of the rank-and-file directors, the Board provides stipends in accordance with a pre-determined schedule to the Senior Officers of the Board (see Article 3, Section 1).
- E. These Guidelines are not intended to lend to the private inurement of any of the Senior Officers of the Board, their families, or any other NAHB members who may be affected by these Guidelines.
- F. These Guidelines are developed to bring the highest level of accountability and transparency to the Board of Directors so that the Senior Officers of the Board can perform their responsibilities consistent with NAHB's governing documents and Board policies.

Section 2: Senior Officer of the Board Travel

- A. Recognize that the Senior Officers of the Board travel extensively on NAHB business.
- B. Provide transportation and accommodations to support the travel of the Senior Officers of the Board to national meetings, key industry functions, and other events and activities as well as their interaction with NAHB members at the state and local levels.
- C. Balance the need for extensive travel with the financial resources available by providing standards of reasonable business expenses that demonstrate fiduciary responsibility in the use of Association funds.
- D. Acknowledge that the Senior Officers of the Board are required to make considerable personal sacrifice through the time required to be spent away from home and therefore, to the extent possible, the inconveniences of travel should be minimized whenever possible while balancing the needs and resources of the Association and applicable tax considerations.
- E. Acknowledge that maintaining contact with the grassroots membership is an important Association priority and that Senior Officers of the Board are committed to meeting with state and local members and consider these meetings of equal importance with other national or leadership meetings.

Section 3: Registration for NAHB Events

- A. Provide for Senior Officers of the Board participation at NAHB meetings and at the grassroots level to ensure that Senior Officers of the Board have opportunities to interact with members at all levels thereby obtaining information that will enable them to meet the needs of Association members.

Provide Senior Officers of the Board with opportunities to recognize Association leaders, advisors, Committee and Council chairpersons, and those who have provided special service to the Association.

Section 4: Oversight: Monitoring, Reporting, Updating

- A. In an effort to maintain accountability and transparency with respect to these Guidelines, the Executive Board shall monitor and report to the Board of Directors on compliance with these Guidelines. NAHB National Area Chairmen

will review the Guidelines every three (3) years and make recommendations for revisions to the Board of Directors for their approval.

Article 2: Business Practices

Section 1: Office Accommodations at the National Housing Center

- A. Each Senior Officer of the Board will be provided an office at the National Housing Center.

Section 2: NAHB Books, Publications and Subscriptions

- A. NAHB Senior Officers of the Board will receive the standard member discount price on books, publications and/or subscriptions purchased from BuilderBooks (the NAHB Bookstore). In addition, if a Senior Officer of the Board purchases a book, publication, and/or subscription from BuilderBooks, the cost of *one* copy of that book, publication and/or subscription may be charged to the individual Senior Officer's of the Board budget, recognizing that the applicable taxes may apply.
- B. Requests for NAHB subscriptions and other free publications should be made through the NAHB Operations staff and should have an appropriate business purpose for the Association.

Section 3: Spouse Responsibilities

- A. Senior Officer of the Board's spouse plays a role in assisting the Senior Officer of the Board to represent NAHB both within the NAHB federation and throughout the housing industry. In order for the Senior Officer of the Board to carry out his role, the spouse of the Senior Officer of the Board is able to perform certain duties on behalf of NAHB or to further NAHB's goals and purposes.
- B. The duties of the Spouse often include, but are not limited to:
 - 1. Interacting with NAHB staff on travel and schedule details;

2. Acting as host or hostess and occasionally speaking at NAHB-sponsored events or other events where the appearance of a spouse may serve to advance NAHB's goals;
3. Accompanying the Senior Officer of the Board on NAHB business trips;
4. Hosting receptions and events at NAHB meetings with the Senior Officer of the Board;
5. Reimbursement for accompanying the Senior Officer of the Board on international trips to represent the U.S. home building industry, NAHB's global membership priorities and interacting with spouses of counterparts in other countries is limited to the Spouses of the Senior Officers of the Board.

Article 3: Stipends and IRS Form 1099

Section 1: Annual Stipends

- A. NAHB shall pay to the five highest ranking Senior Officers of the Board an annual Stipend in an amount set by the Budget and Finance Committee and approved by the Board of Directors. These Stipends are for service as Senior member of the NAHB Board. The five Senior Officers of the Board who shall be entitled to a Stipend are the Chairman, First Vice Chairman, Second Vice Chairman, Third Vice Chairman, and Immediate Past Chairman.
- B. The Budget and Finance Committee may recommend and the Board of Directors may approve Stipends amounts that are different for each of the five Senior Officers of the Board in recognition of the fact that the Senior Officers' roles and responsibilities are not identical. Prior to THE INTERNATIONAL BUILDERS SHOW®, all Senior Officers of the Board will be approached to determine their intention to pursue payment of the stipend. Any Senior Officer of the Board who intends to decline the stipend must execute a Stipend Waiver form. The Stipend shall be paid in a single payment within fifteen (15) days following the Annual Meeting of the Board of Directors at THE INTERNATIONAL BUILDERS SHOW®. In accordance with IRS regulations, NAHB will provide each Senior Officer of the Board receiving a Stipend with an IRS Form 1099 which shall include the entire Stipend amount as well as any other taxable benefits required to be reported on an IRS Form 1099.

Section 2: IRS Form 1099 for Miscellaneous Income

- A. NAHB will provide each Senior Officer of the Board with an IRS Form 1099 which will include the following:
- Annual Stipend
 - Spouse travel expense
 - Minor children travel expense
 - Site Inspection travel expense
 - Unused airline tickets
 - Outstanding non-business-related expenses

Article 4: Senior Officer of the Board Travel

Section 1: General

- A. Senior Officers of the Board travel on official NAHB business is demanding and increases each year as the Senior Officer of the Board moves up the leadership ladder.
- B. The Chairman will coordinate attendance of the Senior Officers of the Board at meetings, conferences, shows and other events (excluding national leadership meetings) where more than one Senior Officer of the Board is invited. Working with the other Senior Officers of the Board, the Chairman will make decisions based on NAHB's best interests.
- C. Generally, only one member of the NAHB Officer Team will be designated to attend a regional or local Federation event. Where multiple individuals of the Officer Team are invited and interested in participating, the Chairman will work with the Officers and Senior Staff to determine the appropriate individual to attend. Attendance will be determined first upon regional or issue area of oversight. This effort will allow the budgeted dollars to support Officer attendance in a greater number of regional or local events.
- D. Each Senior Officer of the Board is allocated a particular amount of budget dollars for official NAHB business travel. The amount for each Senior Officer of the Board is specified in the travel line item of his individual operating budget. The Senior Officers of the Board must carry out all of their travel within the amount specified in the travel line item. If it becomes necessary, the Chairman and Second Vice Chairman may make a request on behalf of the Senior Officers of the Board to the Budget and Finance Committee for a modification to the

- applicable business travel budget. The travel budgets for the spouses of the Senior Officers of the Board may not be exceeded at any time.
- E. Occasionally, the Chairman may authorize the transfer of budget funds between or among the budgets of the Senior Officers of the Board to accommodate special travel assignments or reassignments. When the Chairman authorizes such a transfer, the Budget and Finance Committee must be notified within 30-days and must be told the amount and the reason for the transfer and the amount of the transfer.
 - F. Additionally, “Official Meeting Days” and “Official Travel Days” govern the reimbursement of reasonable expenses to Senior Officers of the Board.
 - G. To ensure against a catastrophic loss in the NAHB leadership in the event of an airline disaster, whenever possible, no more than two (2) Senior Officers of the Board should ever be aboard the same aircraft simultaneously. The Chairman and First Vice Chairman should never travel on the same flight unless no other travel plan is practical.

Section 2: NAHB Official Business Expenses

- A. Reasonable expenses for travel to and from meeting locations, while on official NAHB business, will be charged to the respective budget of each Senior Officer of the Board. These expenses include but are not limited to airfare, hotel, car rental, taxi and other transportation network company (e.g., Uber, Lyft) fares, meals and other reasonable and customary miscellaneous NAHB-related business expenses, such as tips, internet access fees, airport parking fees and valet-laundry services.
- B. NAHB will pay the reasonable travel costs of the spouse of a Senior Officer of the Board and minor children as provided for in these Guidelines for Official Meeting Days only, including Official Travel Days. The maximum annual amount of reimbursements for spouse and minor children travel expenses shall be set by the Budget and Finance Committee and approved by the Board of Directors. Under no circumstances can the established budgeted amount be exceeded. These costs are charged to the respective spousal travel budgets of the individual Senior Officer of the Board and may include airfare, hotel, taxi fares, and meals. Personal expenses, as defined in Personal/Non Reimbursable Expenses (Article 4, Section 7), are not eligible for reimbursement.
- C. Reasonable and customary entertainment expenses pertaining to the travel of the Senior Officers of the Board will be supported by the Senior Officers Board

- approved travel budgets. Though these budgets provide for general entertainment of NAHB members and/or guests, they do not provide for the support of large group gatherings (such as lunches or dinners) or sponsored event opportunities. Should such an opportunity materialize while on travel, Officers should contact the NAHB Operations and Finance Teams to determine whether resources supporting such efforts can be identified prior to committing to cover the costs of such events.
- D. Senior Officers of the Board will be reimbursed for reasonable and customary expenses incurred while on NAHB business only after completion of travel and upon submission of a Senior Officer of the Board Expense Voucher.
 - E. The IRS Code (Section 162 (a) (2)) requires that “The deduction for the cost of meals and lodging while away from home on business is limited to amounts that are not lavish or extravagant under the circumstances.” All Senior Officers of the Board are expected to adhere to this IRS standard. Any questionable expenses will be brought to the respective Senior Officer’s of the Board attention and addressed through the reimbursement process by the NAHB Controller.

Section 3: Travel Documentation

- A. The annual Leadership Calendar is maintained by NAHB Operations staff and is updated regularly. It is an integral part of the documentation for official NAHB travel by the Senior Officers of the Board. So that an accurate record can be kept in accordance with IRS regulations, as well as for internal auditing purposes, the Senior Officers of the Board must notify the designated staff whenever they make arrangements to travel on official NAHB business and whenever their travel plans change.
- B. In order to be reimbursed for travel on behalf of NAHB, the Senior Officers of the Board must submit the “NAHB Senior Officers of the Board Expense Voucher” along with documentation within 30 days of completing a trip. The travel must be for NAHB business as documented in advance in the annual Leadership Calendar as periodically updated. If the expense voucher is not submitted within 30 days, NAHB’s Controller will raise it in his review.
- C. The expense voucher should include the following documentation:
 - 1. Airline or train ticket passenger receipts.
 - 2. Itemized hotel bills.

3. Meal or entertainment receipts, including information on who was present, and the nature of the business conducted.
4. Taxi fares, tips, rental car expenses, parking, and eligible miscellaneous business-related expenses.
5. Mileage documentation is required when personal vehicle is used and mileage reimbursement is requested

Section 4: Air Travel

- A. Senior Officers of the Board are permitted to travel first-class so long as the Senior Officer of the Board remains within his approved overall travel budget. Senior Officers of the Board are encouraged to purchase coach tickets and use mileage and/or coupons to upgrade to first class, where possible.
- B. Tickets should be purchased in the most cost-effective manner. Any travel costs incurred in excess of this standard will be considered personal, and the Senior Officer of the Board must reimburse NAHB.
- C. Use of special carriers or aircraft (e.g., helicopters, leased jets) must be approved in advance by the Chairman, or in the case of the Chairman's own travel, by the Second Vice Chairman.
- D. Each airline ticket purchased must be specifically used for an official NAHB speaking engagement, event or activity. The airline tickets and any purchased upgrade coupons for the Senior Officers of the Board will be charged to the budget of the applicable Senior Officer of the Board. Tickets purchased for use by spouses of the Senior Officers of the Board and/or minor children of the Senior Officers of the Board will be charged to the spousal travel budget of the applicable Senior Officer of the Board.
- E. All unused airline tickets, coupons, or vouchers, shall be returned to NAHB.
- F. IRS regulations require NAHB to provide the Senior Officers of the Board with an IRS form 1099 for any income that the Senior Officer of the Board may have earned in the form of unused airline tickets that have not been returned to NAHB or any other outstanding non-business-related expenses not repaid to NAHB.

Section 5: Use of Personal Aircraft

- A. If a Senior Officer of the Board anticipates using his private aircraft during his tenure to travel on NAHB business, he must obtain prior approval from the NAHB Executive Board annually in order to be reimbursed as provided for in these *Guidelines*.
- B. As often as NAHB may request but, in any event, no less than once each year, any Senior Officer of the Board who wishes to use his private aircraft must provide NAHB with a valid pilot's license, a certificate of aircraft airworthiness, and proof of current aircraft insurance coverage.
- C. When reimbursing a Senior Officer of the Board for use of his private aircraft, NAHB will use the comparable commercial airfare. Comparable commercial airfare will be determined by using the airport and airline, previously identified for budget purposes, and the final destination with a 14-day advance purchase using Expedia or comparable product. The documentation of this reimbursement amount can be submitted by the Senior Officer at the time of expense reimbursement submittal, or NAHB Operation staff will calculate amount using above criteria.

Section 6: Spouse and Minor Children Travel

- A. Spouses of the Senior Officers of the Board are allowed to accompany the Senior Officer of the Board on NAHB business trips, when it is advantageous for business purposes. If provided for, and available, in the spousal travel budget of the Senior Officer of the Board, NAHB will reimburse the reasonable travel costs for the minor children of the Senior Officers of the Board when they accompany him to Board of Directors and Executive Board meetings each year.
- B. NAHB funding for minor children's travel as provided for in these Guidelines will apply only to the Official Travel Days.
- C. The Senior Officers of the Board must submit the completed "NAHB Senior Officers of the Board Expense Voucher" for their minor children. Each person's name and all other reasonable expenses must be recorded on a separate expense voucher. Requests for reimbursement must include the following original documentation:

1. Airline or train ticket passenger receipts, unless mileage rewards were used to cover the entire cost of the ticket.
2. Itemized hotel bills.
3. Meal receipts.
4. Taxi fares, tips, parking, and rental car expenses.

NAHB will not reimburse expenses which would be categorized as personal and are described in Personal/Non Reimbursable Expenses (Article 4, Section 7)

- D. IRS regulations require that NAHB account for the travel expenses paid by NAHB for travel by minor children and spouses of the Senior Officers of the Board. Further, NAHB must report this amount to the IRS as a taxable benefit. At the end of every year, NAHB will provide each Senior Officer of the Board, with an IRS Form 1099 for the total amount of spouse and minor children travel expenses.

Section 7: Personal/Non Reimbursable Expenses

- A. Expenditures that do not have a direct relationship to the business of a scheduled travel event are non-reimbursable. NAHB defines personal or non-reimbursable expenses as including, but not limited to, the following:
1. Gift or pro shop purchases.
 2. Golf fees, tennis fees, and other recreational activity fees, and related expenses.
 3. Host or member thank you gifts.
 4. Spa or beauty salon charges.
 5. Resort recreational activities such as snorkeling, canoeing, tours, (and the accompanying equipment), etc.
 6. Movie, theater, concert or sporting event tickets, or admission fees.
 7. Museum or park fees.
 8. Child care/babysitting expenses.

9. Other expenses identified by the NAHB's Controller as potentially excessive, non-business related and/or questionable.
- B. Personal expenses incurred by the Senior Officers of the Board and their spouses or minor children, shall not be paid or reimbursed by NAHB. These expenses may not be charged to NAHB's master account.
 - C. The Senior Officers of the Board are responsible for promptly resolving all personal expenses questions. If personal expenses for any meeting or NAHB activity appear on a master account billing the expenses will be promptly billed to the Senior Officer of the Board for payment, and shall be settled within 60 days of receipt.
 - D. IRS Guidance on Entertainment: - "Expenses not considered directly related - Entertainment expenses generally are not considered directly related if you are not there or in situations where there are substantial distractions that generally prevent you from actively conducting business. The following are examples of situations where there are substantial distractions.
 - a. A meeting or discussion at a nightclub, theater, or sporting event
 - b. A meeting or discussion during what is essentially a social gathering, such as a cocktail party.
 - c. A meeting with a group that includes persons who are not business associates at places such as cocktail lounges, country clubs, golf clubs, athletic clubs, or vacation resorts.

Section 8: Airline Travel Clubs

- A. Annual memberships in airline clubs for Senior Officers of the Board shall be purchased, wherever possible, using accumulated credit card mileage, affinity program benefit, or a "special level" card, and is limited to one (1) purchased airline club membership per year.

Section 9: International Travel

- A. All requests for international travel will be communicated to NAHB Operations staff and, in consultation with the President and CEO, the NAHB Chairman will

- determine the appropriate Senior Officer of the Board, or other NAHB member, qualified to represent NAHB on specific international assignments.
- B. The request for authorization must identify the trip's business purpose, national importance, travel dates, costs, and budget implications, and the names of all individuals traveling at NAHB expense.
 - C. NAHB will pay for reasonable expenses incurred only by the Senior Officer of the Board for Official Meeting Days, including Official Travel Days. NAHB members approved to travel will be reimbursed in accordance with NAHB's Member Travel Policy.
 - D. For international travel, Senior Officers of the Board are encouraged to purchase coach airfare and use mileage and/or coupons to upgrade. Any travel costs incurred in excess of this standard will be considered personal, and the Senior Officer of the Board must reimburse NAHB.

Section 10: Senior Officer of the Board Meetings

- A. Senior Officers of the Board are encouraged to hold Senior Officer of the Board meetings at the National Housing Center in Washington, D.C. However, because there is a value to the Federation for some meetings to be held outside of Washington, D.C., Senior Officer of the Board meetings may be held elsewhere in conjunction with another meeting where Board-approved funding is provided as follows:
 - 1. One Senior Officers of the Board meeting may be held in the Chairman's home state.
 - 2. National leadership meetings.
 - 3. Association Management Conference or equivalent meeting.
 - 4. State or local HBA meetings.
 - 5. Large member or NAHB sponsored event (e.g., regional/grassroots membership meeting, industry shows).

Section 11: Hotel Accommodations for Senior Officers of the Board

- A. Except as otherwise provided by Article 4 Sections 13, 15, and 16 accommodations will be limited to a standard hotel room. Hotel reservations must be made through NAHB staff.

Section 12: Visits to NAHB State and Local Associations

- A. With the exception of the Chairman, the Senior Officers of the Board may only travel to state and local associations within their respective areas of regional and/or issues oversight and may go outside their oversight area only to attend NAHB national leadership meeting, or when the Senior Officer of the Board with oversight responsibility cannot attend an event, and the Chairman approves the travel.
- B. The Chairman will periodically review requests for travel with the other Senior Officers of the Board and will inform them when other Senior Officers of the Board visit their oversight regions.
- C. Consistent with Article 4, Section 2, NAHB will pay or reimburse, as applicable, the reasonable business expenses of Senior Officer of the Board when he visits a state or local association (other than his own local or state association) pursuant to a request or invitation from that association. The expenses incurred will be paid by NAHB from the travel budget of the respective Senior Officer of the Board.
- D. Occasionally, the Chairman, working with an invited Senior Officer of the Board, may request that a National Area Chairmen, or Past Chairman/Past President, represent the Senior Officer of the Board at a state or local association meeting. NAHB Operations staff will contact the association to determine whether such a representative is acceptable. Funding of NAHB's Official Business Expenses for the representative will be paid by NAHB from the travel budget of the Senior Officer of the Board who was invited and unable to attend.
- E. Whenever possible, the Senior Officers of the Board will schedule state and local visits around other NAHB meetings/events and, if the schedule of the respective Senior Officer of the Board allows, the state and local associations will be contacted to see if an event or meeting can be scheduled in conjunction with a visit to that area by the Senior Officer of the Board. The applicable state and local associations, National Area Chairmen, and State Representative must be notified when a Senior Officer of the Board is traveling within the associations' area.

Section 13: Strategic Implementation Meeting (Planning Meeting)

- A. The First Vice Chairman may schedule a Strategic Implementation Meeting (Planning Meeting) in the year prior to his installation as Chairman of the Board. The purpose of the meeting should be to develop strategies and goals for the Association.
- B. Accommodations for the Chairman and First Vice Chairman will be a one-bedroom suite, when available. The other Senior Officers of the Board will be assigned a standard room. All reasonable and customary business expenses for travel by Senior Officers of the Board and spouse travel will be paid as described in Article 4, Section 2.
- C. NAHB members invited to attend a Strategic Implementation Meeting will be reimbursed in accordance with the NAHB Member Travel Policy then in effect. NAHB will not reimburse any costs of travel or attendance incurred by non-members of NAHB unless otherwise provided for in these guidelines.

Section 14: Site Inspection Travel

- A. All NAHB official business expenses for travel by a Senior Officer of the Board shall be paid, as provided for in Article 4, Section 2 of these *Guidelines*, in support of prospective NAHB national leadership meetings.
- B. Each Senior Officer of the Board may not make more than four (4) site visit inspection trips over the course of his tenure.
- C. Each Senior Officer of the Board will be accompanied by NAHB staff when on site selection travel.
- D. All meeting and contract negotiations, including commitments, will be conducted by NAHB staff in consultation with the applicable Senior Officer of the Board.
- E. NAHB will not pay any site selection travel expenses for other members or guests unless the travel is approved in advance under the Member Travel Policy. Expenses related to Site Inspections will be reported to the Senior Officer of the Board as a taxable benefit on the IRS Form 1099 provided annually to each Senior Officer of the Board.

Section 15: Accommodations - Executive Board and Board of Director Meetings

- A. In order to maximize member interaction and the conduct of Association business in convenient locations, each Senior Officer of the Board will be provided a two-bedroom suite during Board meetings. For in-person Executive Board Meetings, the Chairman of the Board will be provided a two bedroom suite based on availability and the rest of the Senior Officers will receive room upgrades based on availability.
- B. If the suite is occupied by a person other than the spouse or minor children as provided for in these Guidelines, the guest will be responsible for all incidental charges to that room, including telephone, room service and any other charges for guest services incurred.
- C. Designated NAHB staff will make arrangements to supply each suite with an initial set up of beverages, based on the individual Senior Officer of the Board's request. Any room credits provided to NAHB for beverages shall be applied to the account of the Senior Officer of the Board by the hotel. Requests to replenish beverages should be made directly to room service by the Senior Officer of the Board or his spouse or designated NAHB staff member. The hotel will require the name of any person placing an order for food, to be delivered to the suite and all deliveries will require a signature acknowledging receipt of the items. The person who signs for the delivery must be 21 years of age or older.

Section 16: The International Builders' Show®

- A. In order to maximize member interaction and the conduct of Association business in convenient locations, each Senior Officer of the Board will be provided a two-bedroom suite.
- B. If the suite is occupied by a person other than the Senior Officer of the Board's spouse or minor children, as provided for in these Guidelines, the guest will be responsible for all incidental charges to that room, including telephone, room service and any other charges for guest services incurred.
- C. Ten additional rooms, in the hotel of his choice, will be blocked in order to accommodate additional family members, key employees or special guests of the Senior Officer of the Board. The cost of the rooms is the sole responsibility of the

- guests staying therein. Moreover, these rooms may not be placed on the NAHB master account and must be guaranteed with a major credit card before the housing deadline or the rooms will be cancelled.
- D. Designated NAHB staff will make arrangements to supply each Senior Officer of the Board's suite with an initial set up of beverages, based on the individual Senior Officer of the Board's request. Any room credits provided to NAHB for beverages shall be applied to the account of the Senior Officer of the Board by the hotel. Requests to replenish beverages should be made directly to room service by the Senior Officer of the Board or his spouse. The hotel will require the name of any person placing an order for food, beverages to be delivered to the suite and all deliveries will require a signature acknowledging receipt of the items. The person who signs for the delivery must be 21 years of age or older.
 - E. Food and beverages required for official functions held in the suite should be arranged through designated NAHB staff. The staff will then make the necessary arrangements with the hotel.

Section 17: Ground Transportation

- A. It is imperative that the Senior Officers of the Board are on time for meetings with members, dignitaries and government officials, ground transportation is provided for the Senior Officers of the Board when they are carrying out NAHB business during major events and important meetings. This being the case, Senior Officers of the Board will be provided ground transportation, to be scheduled and coordinated by the NAHB Operations staff, to efficiently transport them to any scheduled meeting site or event.

NAHB-supplied or coordinated transport may only be used during regular business hours, and for evening events at which the Senior Officer of the Board is representing NAHB on official business. Whenever possible, Senior Officers of the Board should share a vehicle or use it to transport others who would be otherwise reimbursed such travel expenses under these Guidelines, the Member Travel Policy, or the staff expense reimbursement policy. Transportation of the Senior Officers of the Board will remain at the forefront and will not be compromised by transportation of any of the other individuals.

Article 5: Registration for NAHB Meetings

Section 1: Registration for NAHB Meetings

- A. Each Senior Officer of the Board will receive complimentary registration for all NAHB meetings. Additionally, the spouses and minor children of the Senior Officers of the Board traveling in accordance with these Guidelines will receive complimentary registration for THE INTERNATIONAL BUILDERS SHOW®, if requested.

Article 6: Senior Officers of the Board Budgets and Expenditures

Section 1: Budget Development and Tracking

- A. Each Senior Officer of the Board participates with the NAHB staff in the development of his individual annual budget. The budgets for the Senior Officers of the Board are presented to the Budget and Finance Committee for review and approval. The Budget and Finance Committee then presents the budgets of the Senior Officers of the Board as part of the annual NAHB Proposed Budget to the Executive Board. The NAHB Board of Directors has final review and approval.
- B. The Senior Officers of the Board must operate within their annual budget. Each Senior Officer of the Board is responsible for monitoring his own budget, identifying, and explaining variances that could possibly result in him exceeding his budget. The spousal travel budget line-item cannot be exceeded at any time. The Senior Officer of the Board will notify the Second Vice Chairman of any anticipated overruns and the reason for the overrun. If the Second Vice Chairman anticipates any overruns in his budget, he will notify the Chairman. If it becomes necessary, the Chairman and Second Vice Chairman may make a request on behalf of the Senior Officers of the Board to the Budget and Finance Committee for a modification to the applicable travel budget.
- C. The Second Vice Chairman must then inform the other Senior Officers of the Board and the Vice Chairman of the Budget and Finance Committee. The Senior Officers of the Board and the Leadership of the Budget and Finance Committee will address the issue and suggest corrective actions to the applicable Senior Officer(s) of the Board. These actions shall include, at least, the following:
 - 1. Report to the full Budget and Finance Committee;

2. Meet with the individual Senior Officer of the Board;
3. Identify corrective actions; and,
4. Transfer funds from other Senior Officers of the Board's budget line items.

Section 2: Expenditure Tracking and Reporting

- A. In an effort to accurately monitor and report expenses in each line item in the Senior Officers of the Board and Leadership budgets, the following procedures are performed monthly:
 1. Staff reviews the monthly ledger report for each Senior Officer of the Board and the Leadership budget.
 2. On a monthly basis, a summary of the Senior Officer's of the Board and the Leadership budget is provided to the Senior Officers of the Board. The Senior Officers of the Board should review these reports and forward any questions or concerns to the staff for further investigation or discussion.

Section 3: Monitoring and Updating

- A. In an effort to maintain accountability and transparency with respect to these Guidelines, NAHB's Controller shall report quarterly on the status of compliance to the Audit Committee. The Executive Board shall be informed by the Chairman of the Audit Committee of any compliance concerns. The Executive Board shall report annually to the Board of Directors on compliance with these Guidelines. NAHB National Area Chairmen will review the Guidelines every three years beginning in 2007 and make recommendations for changes to the Board of Directors for their approval.

Definitions

<i>Official Travel Days</i>	The day immediately prior to the beginning date of the published "Official Meeting Days" and the day immediately following the ending date of the published "Official Meeting Days."
<i>Official Meeting Days</i>	The first official day of the meeting and ending on the last official day of the meeting.
<i>Budget Parameters</i>	The funds available in a line item of the individual operating budgets of a Senior Officers of the Board. The line item total is not to be exceeded without proper authorization.
<i>Minor children</i>	Unmarried children 18 years of age.
<i>Domestic Travel</i>	Geographical limits of the United States, the Commonwealth of Puerto Rico, and the United States Virgin Islands.
<i>Ground Transportation (or Vehicle)</i>	A sedan with a uniformed driver, hired from a transportation company that specializes in Executive level transportation and is used for multiple sites, extended hour transportation needs and usually requires a minimum time charge (e.g. three hours).
<i>National Leadership Meeting</i>	Meeting(s) held with some or all members of the NAHB Executive Board and/or Board of Directors present at which business of the Association is conducted. E.g. International Builders Show®, Executive Board meetings, Board of Directors meetings, Senior Officer meetings, Implementation (Planning) meetings, etc.