

Policy Memorandum

Of

Shadow Rock Ranch Property Owners Association, Inc.

**Election
Policy, Procedures & Qualifications**

Policy Memorandum 2-07

29 June 2008

Version 3.0

Effective 30 June 2008

Summary of Change

Elections Policy, Procedures, and Qualifications

Shadow Rock Ranch Property Owners Association

Change #1

Dated 28 February 2008 Effective 29 February 2008

Authority for Change: Regular BoD Meeting, 12 January 2008

Reference Paragraph 4.1 is changed as follows with the following addition 4.1e:

“Perspective nominees must be willing to undergo a background check for criminal or felony activity and will be required to sign a release statement granting authorization to conduct a background check.”

Reference Paragraph 4.1 is changed as follows with the following addition 4.1f:

“Nominees must ensure their availability to the election committee daily from the time their nomination is submitted and until the day the election committee has finalized (“locked”) the ballot as final.”

Reference Paragraph 4.3 is changed as follows with the following addition 4.3d:

“The election committee will ensure each nominee possess the means and/or capability to meet qualifications in paragraph 5.2 below. The election committee must administer a qualification.”

Reference Paragraph 4.3d is changed as follows with the following addition 4.3e:

“The findings of the election committee are final regarding verification of qualifications.”

Summary of Change

Elections Policy, Procedures, and Qualifications

Shadow Rock Ranch Property Owners Association

Change #2

Dated 29 June 2008

Effective 30 June 2008

Authority for Change: Regular BoD Meeting, 26 April 2008

Reference paragraph 5.2 is changed as follows with the following addition to include paragraph numbering realignment 5.2.3. (7)

“must be a citizen of the United States, at least 21 years of age, a high school graduate or higher, and able to supply own transportation to Board meetings.”

Shadow Rock Ranch Property Owners Association

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Shadow Rock Ranch Property Owners Association

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Administrative Notes

Note #1. References to gender are intended to be gender non-specific.

Note #2. The Board Secretary is the office of record for the Association policies, Board minutes, posting of material to the website, election materials, and Association legal documents.

Note #3. The Treasurer is the office of record for the Associations tax filing, incorporation fee payments, certification of officers & annual report to the State of Arizona, and all budget matters.

Note #4. The SRRPOA and its BoD management body may be referred to as the **Association** and terms used interchangeably.

Elections

Policy, Procedures & Qualifications

SHADOW ROCK RANCH PROPOERTY OWNERS ASSOCIATION, INC.

1.0 GENERAL

The principal office of the Shadow Rock Ranch (SRR) Corporation is the State of Arizona and is located in Prescott, County of Yavapai. The Corporation may have such other offices, either within or without the State of Arizona, as the Board of Directors (BoDs) may determine or as the affairs of the corporation may require from time to time. All election matters will be addressed to SRRPOA, P.O. Box 12006 Prescott, AZ 86304.

2.0 POLICY

2.1 Qualified Board Members

It is the election policy of the SRRPOA to seek qualified board members to serve as corporate officers that are competent in corporate operations with an understanding of the laws and operating processes of non-profit or profit organizations. These understandings are desired, not required, to permit board meetings to move smoothly without interruptions to train, educate, and teach basic corporate law and /or procedures regarding articles of incorporation, meeting parliamentary rules, Bylaw governance, contracting, general business procedures, and CCRs stipulation.

22 **2.2 Election Term**

23 It is the election policy of the SRRPOA to elect Board members at the conclusion
24 of their two year terms.

25 **3.0 ELECTION COMMITTEE**

26 **3.1 Purpose**

27 The election committee is responsible for qualifying all nominations in
28 accordance with paragraph 5, section 5.2 below. The Committee will ensure all election
29 ballots are counted and certified by the Association Attorney-at-Law in the presence of
30 an election committee member(s).

31 **3.2 Appointment**

32 The Board Directors must annually solicit volunteers to serve on the election
33 committee. In the absence of volunteers, the President of the Board of Directors may
34 appoint the Secretary and Board Member-at-Large to oversee the election process as
35 stated in this document.

36 **3.3 Term and Duties**

37 The election committee will be dissolved once the election results announcement
38 is concluded.

39 The election committee is responsible for announcing the election results at the
40 annual owner town hall and/or annual Board meeting or to the BoDs at the direction of
41 the President, BoDs.

42

43 **4.0 ELECTION PROCEDURES & TERMS**

44 **4.1 Nominations**

45 a. Nominations are submitted to the SRRPOA office of record when
46 solicited by announcement via the website, newsletter, mailing, e-mail, or a combination
47 of these means. Any owner in good standing can submit a nomination for a Director
48 position on the BoDs, to include a self -nomination. Nominations should not exceed $\frac{3}{4}$
49 page in length or approximately 16 lines at 12 pitch, with one inch left and right margins.
50 The nomination should contain the nominees name, address, phone number, e-mail
51 address, and any instructions regarding editorial review. An owner in good standing is
52 defined as, “any owner not delinquent in assessments and fees, any owner whose
53 property is not liened by the SRRPOA, and any owner who is not in unresolved CCRs
54 violation proceedings with the SRRPOA.

55 b. Nominations must be accompanied by a resume of work experience to
56 include offices held in corporations, and if removed for cause from a corporate office,
57 the reason for removal.

58 c. Nominations found to be fraudulent or a misrepresentation will be
59 grounds for permanent denial of a future nomination.

60 d. Nominations received after the due date will not be considered in the
61 election process.

62 e. Perspective nominees must be willing to undergo a background check
63 for criminal or felony activity and will be required to sign a release statement granting
64 authorization to conduct a background check. (See Appendix A)

65 f. Nominees must ensure their availability to the election committee daily
66 from the time their nomination is submitted and until the day the election committee has
67 finalized (“locked”) the ballot as final.

68 **4.2 Election and Term of Office**

69 The officers of the corporation shall be elected annually by the Board of Directors
70 at the regular annual meeting of the Board of Directors. If the election of officers shall
71 not be held at such meeting, such election shall be held as soon thereafter as
72 conveniently may be. New offices may be created and filled at any meeting of the
73 Board of Directors. Each officer shall hold office until his or her successor shall have
74 been duly elected and shall have qualified.

75 **4.3 Election Committee Procedures**

76 a. The Secretary or appointed Board member will consolidate the
77 nominations and prepare the election package. The election package will contain the
78 ballot, all nominations, and an addressed, stamped envelope for return mailing of the
79 ballot.

80 b. Election packages or ballots will be mailed to owner addresses of
81 record on file with the Yavapai county clerk for property tax collections.

82 c. Election ballots will be mailed to the SRRPOA attorney-at-law for
83 counting and verification in the presence of an election committee member as noted in
84 Article III, section 1 above.

85 d. The election committee will ensure each nominee possess the means
86 and/or capability to meet qualifications in paragraph 5.2 below. The election committee
87 must administer a qualification verification means to all nominees. Those individuals
88 not qualifying will be notified of their failure to qualify and will not be placed on the ballot.

89 e. The findings of the election committee are final regarding verification of
90 qualifications.

91 **5.0 DIRECTOR POSITIONS & QUALIFICATIONS**

92 **5.1 General Powers**

93 The affairs of the corporation shall be managed by its Board of Directors.
94 Directors do not need to be residents of the State of Arizona.

95 **5.2 Number, Tenure, and Qualifications**

96 **5.2.1 Number of Directors**

97 The number of Director's shall be as prescribed in the Association's Articles of
98 Incorporation and Bylaws.

99 **5.2.2 Tenure of Directors**

100 Each Director shall hold office for a period of two years and until his or her
101 successor shall have been elected and qualified.

102 **5.2.3 Qualifications of Directors**

103 Qualified nominations for director positions:

104 (1) must be owners of parcels or partial owners of original parcels
105 subsequently sub-divided, not less than 10 acres;

106 (2) must not have a criminal felony record pertaining to a transaction in
107 securities, consumer fraud or antitrust, misrepresentation, theft by false pretenses, or
108 restraining the trade or monopoly in any state or federal jurisdiction within the seven
109 year period immediately preceding a board nomination;

110 (3) must be paid in full on all association fees, assessments, and special
111 assessments;

112 (4) must be able to review, edit, and write documents in digital formats,
113 e.g. MS Word, Excel, and PowerPoint or similar compatible applications;

114 (5) must be able to receive and send e-mail;

115 (6) must not have been removed as a Director or Officer within the last 20
116 years;

117 (7) must be a citizen of the United States, at least 21 years of age, a high
118 school graduate or higher, and able to supply own transportation to Board meetings.

119 **5.3 Vacancies**

120 Any vacancy occurring in the Board of Directors and any directorship to be filled
121 by reason of an increase in the number of directors may be filled by the affirmative vote
122 of a majority of the remaining directors, through less than a quorum of the Board of
123 Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of
124 his or her predecessor in office. A vacancy in any office because of death, resignation,

125 removal, disqualification or otherwise, may be filled by the Board of Directors for the
126 unexpired portion of the term. The term for a director that is added as a result of an
127 increase in the number of directors shall be for the remainder of the current year.

128 **5.4 Compensation**

129 Directors shall not receive any stated salary or any form of payment for their
130 services to the SRRPOA, its members and/or property owners.

131

132 **6.0 BOARD OF DIRECTOR OFFICERS AND OFFICES**

133 The following Board responsibilities apply (reference SRRPOA Bylaws):

134 **6.1 President**

135 The President shall be the principal Executive Officer of the Association and shall
136 in general supervise and control of the business and affairs of the Association. He or
137 she shall preside at all meetings of the members and of the Board of Directors. He or
138 she may sign, with the Secretary or other proper officer of the corporation authorized by
139 the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments
140 which the Board of Directors has authorized to be executed, except in cases where the
141 signing and execution thereof shall be expressly delegated by the Board of Directors or
142 by these Bylaws or by statute to some other officer or agent of the corporation; and in
143 general he or she shall perform all duties incident to the office of President and such
144 other duties as may be prescribed by the Board of Directors from time to time.

145 **6.2 Vice President**

146 In the absence of the President or in event of his or her inability or refusal to act,
147 the Vice President shall perform the duties of the President, and when so acting, shall
148 have all the powers of and be subject to all the restrictions upon the President. Any
149 Vice President shall perform such other duties as from time to time may be assigned to
150 him or her by the President or by the Board of Directors.

151 **6.3 Treasurer**

152 If required by the Board of Directors, the Treasurer shall give a bond for the
153 faithful discharge of his or her duties in sum and with such surety as the Board of
154 Directors shall determine. He or she shall have charge and custody of and be
155 responsible for all funds of the Association; receive and give receipts for moneys due
156 and payable to the Association; receive and give receipts for moneys due and payable
157 to the Association from any source whatsoever, and deposit all such moneys in the
158 name of the Association in such banks, trust companies or other depositories as shall
159 be selected in accordance with the provisions of Article V of these Bylaws; and in
160 general perform all the duties incident to the office of Treasurer and such other duties
161 as from time to time may be assigned to him or her by the President or by the Board of
162 Directors.

163 **6.4 Secretary**

164 The Secretary shall keep the minutes of the meetings and of the Board of
165 Directors in one or more books provided for that purpose; see that all notices are duly
166 given in accordance with the provisions of these Bylaws or as required by law; be

167 custodian of the corporate records and of the seal of the corporation and see that the
168 seal of the corporation is affixed to all documents, the execution of which on behalf of
169 the corporation under its seal is duly authorized in accordance with provisions of these
170 Bylaws; keep a register of the post office address of each member which shall be
171 furnished to the Secretary by such member; and in general perform all duties incident to
172 the office of Secretary and such other duties as from time to time may be assigned to
173 him or her by the President or by Board of Directors.

174 **6.5 Other Offices**

175 The Board of Directors may appoint other offices as required based upon the
176 number of directors elected to the Board.

177 **7.0 REFERENCES**

178 Arizona Revised Statutes (ARS), Title 10, chapter 38, article 01, paragraph 10-
179 3802, titled, "Qualifications of Directors".

180


181 **Date:** 29 February 2008

182 **Authorized By**

183 SRRPOA BoDs

184

185 **Approved for Implementation By**

186 

187 Joanne McClure

188 President

189 **APPENDIX A**

190 **Certification Statement**

191 **Statement of Certification**



192
193 I hereby certify that I do not have a criminal felony record pertaining to a transaction in
194 securities, consumer fraud or antitrust, misrepresentation, theft by false pretenses, or restraining
195 the trade or monopoly in any state or federal jurisdiction within the seven year period
196 immediately preceding a board nomination. I further certify that I am a property owner with in
197 the boundaries of the Shadow Rock Ranch, Yavapai County, and have a Deed of Title to
198 substantiate same. I consent to a background check and agree to provide my social security
199 number to facilitate this procedure.

200
201 _____
202 Printed Name & Date

203
204 _____
205 Signature

206 **Statement of Qualification**



207
208 Qualified nominations for director positions: (1) must be owners of parcels or partial
209 owners or original parcels subsequently divided; (2) must not have a criminal felony record
210 pertaining to a transaction in securities, consumer fraud or antitrust, misrepresentation, theft by
211 false pretenses, or restraining the trade or monopoly in any state or federal jurisdiction within the
212 seven year period immediately preceding a board nomination; (3) must be paid in full on all
213 association fees, assessments, and special assessments; (4) must be able to review, edit, and write
214 documents in digital formats, e.g. MS Word, Excel, and PowerPoint or similar compatible
215 applications; (5) must be able to receive and send e-mail; and (6) Election ballots will be counted
216 and certified by the Association Attorney or other non-board member(s). Association directors
217 do not have administrative support and are considered to be “working directors”, that is to say,
218 directors are expected to write, edit, format, and prepare documentation in accordance with best
219 commercial corporate management practices.

220
221 I hereby certify that I am able to meet the qualifications noted above and as stated in the
222 Bylaws of the SRRPOA.

223
224 _____
225 Printed Name & Date

226
227 _____
228 Signature