



**Northwest Michigan
Community Action Agency, Inc.**

BY- LAWS

**Revised and Approved
By
NMCAA Governing Board**

March 18, 2021

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ARTICLE I

General

- A. The registered office of the Northwest Michigan Community Action Agency, Inc., a private non-profit corporation, shall be located at 3963 Three Mile Road, Traverse City, Michigan. The registered office location may be changed by action of the Board of Directors.
- B. The area to be served by the Corporation shall include, but not be limited to the Corporation's Community Action designated counties of Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Missaukee, Roscommon, and Wexford. (For Board structural purposes, Antrim, Charlevoix, and Emmet counties shall comprise the Northern Region, Benzie, Grand Traverse, Kalkaska, and Leelanau counties shall comprise the Central Region, and Missaukee, Roscommon, and Wexford shall comprise the Southern Region.)
- C. The Corporation shall be free to contract for goods and services of its own choosing.
- D. Notwithstanding any other provision of these By-Laws, the Corporation shall in no manner be controlled or under the direction or acting in the substantial interest of any private individual, firm, corporation, partnership, or association seeking to derive profit or gain there from or seeking to eliminate or minimize losses in any dealing or transactions with the Corporation.
- E. All income and earnings of the Corporation shall be used exclusively for corporate purposes and no part of the net income or net earnings shall inure to the benefit of any director, founder, contributor, private individual, firm, corporation, partnership, or association.

ARTICLE II

Purpose

The purpose of the Corporation is to plan, establish, coordinate and carry out programs to promote the health, education and welfare of Michigan residents, with specific emphasis in the area served (Article I.B) to include, but not limited to, services that promote asset development, acquisition, maintenance and/or protection; the provision of affordable, decent housing for persons of low and moderate income, and to apply for, receive, administer, and disburse funds for such purposes as provided under the Head Start, Economic Opportunity and Community Partnership Act of 1974, and the Michigan Economic and Social Opportunity Act of 1981 (Public Act 230) as amended; and to carry on any business, education, social work, and/or other activities in connection therewith and incidental thereto not forbidden by the laws of the State of Michigan.

ARTICLE III
Powers and Responsibilities of the Governing Board

The governing body of the Corporation shall be the Board of Directors. In addition to the general corporate powers, the powers of the Board of Directors shall be to:

- A. Appoint, evaluate, terminate if need be, the Executive Director of the Corporation.

The Board delegates the daily management of the Corporation to the Executive Director and his or her designated staff. The Executive Director is the chief staff administrator for the Corporation and is responsible for ensuring the operational execution of the Corporation policies and plans. The Executive Director is responsible for the hiring and release of all other personnel.

- B. Determine major program, organization, fiscal, and personnel policies.
- C. Participate in the development, planning, implementation, and evaluation of the programs offered by the Corporation in its service to communities and their residents.
- D. Supervise, control and direct the affairs of the Corporation.
- E. Promote and pursue the Corporation's objectives.
- F. Identify the needs of the area served by the Corporation.
- G. Maintain fiscal oversight of the Corporation's funds.
- H. Adopt such policies for the conduct of its business as shall be deemed advisable, and may, in the execution of the powers granted, delegate certain of its authority and responsibility to one or more committees.
- I. Maintain familiarity with the mission, purpose, structure, major activities, and funding of the Corporation.
- J. Attend and actively participate in meetings of the Board and assigned committees.
- K. Comply with all relevant laws.

ARTICLE IV
Membership

The Corporation shall have no members. Any action which would otherwise require approval by a majority of all members, or approval by the members, shall require only approval of the Board of Directors. All rights which would otherwise vest in the members shall vest in the Board of Directors.

ARTICLE V
Governing Board Composition and Selection

A. Qualifications/Selection Procedure:

1. **Public Sector:** One-third of the Directors shall be elected public officials holding office on the date of selection, or their representatives. In the event that there are not enough elected public officials reasonably available and willing to serve on the board, the entity may select an appointed public official to serve on the board.

Each County's Board of Commissioners will be given first option to recommend one of their commissioners or a designee for NMCAA Board representation. If the County Board waives its privilege to recommend, NMCAA will seek an alternative public body or official within the county or sector to be recommended by said public body for representation.

Public bodies whose jurisdiction includes all or part of a non-represented county may recommend a currently elected official for NMCAA Board consideration. If approved by the NMCAA Board, that director may be considered a representative of the Community Action Agency Regional Area: e.g., Northern, Central, or Southern Region, rather than a county representative.

2. **Consumer Sector:** At least one-third of the Directors shall be persons chosen in accordance with democratic selection procedures adequate to ensure that these directors are representative of low-income (eligible for NMCAA services) individuals, elderly, or consumers with disabilities, and families in the area served.

The Corporation intends for ten persons (one per each of the Corporation's Community Action designated Counties) including the current Head Start Policy Council Chairperson, to represent the Consumer Sector. Each shall be elected through a democratic selection process by existing entities such as the Corporation's Advisory, Parent, and/or Policy Councils or Committees. The individuals selected by those entities shall be recommended to the Board for approval as Directors.

An alternative method of selecting a Consumer representative will be accomplished through the provision of a community-wide meeting held to select a consumer representative to the Board. An announcement will be sent electronically to partner service providers within the county and/or placed in a newspaper of county circulation inviting potential candidates to

a public meeting. A low-income, elderly or disabled individual or a representative of such groups that is a county resident at least 18 years of age may be recommended at this meeting to represent the consumers of that county to serve on the Board of Directors.

If approved by the NMCAA Board, a consumer sector director may be considered a representative of the Community Action Agency regional area: e.g., Northern, Central, or Southern Region, rather than a county representative.

3. **Private Sector:** One-third of the Directors (one per each of the Corporation's Community Action designated Counties) shall represent the private sector, which may include representatives of business, industry, labor, agriculture, law enforcement, religious and civic organizations, education, or other major groups and interests in the community.

If approved by the NMCAA Board, a private sector director may be considered a representative of the Community Action Agency regional area: e.g., Northern, Central, or Southern Region, rather than a county representative.

4. **Of the Public, Consumer and/or Private sector Directors:**

- a. At least one Director shall have a background and expertise in fiscal management and accounting.
- b. At least one Director shall have a background and expertise in early childhood education and development.
- c. At least one Director shall be a licensed attorney, familiar with Head Start governing body issues.
- d. If the Corporation is unable to include Directors for any of the three categories (a-c) above, the Directors must obtain the services of a consultant or other individual with the required background and expertise to work with the Board of Directors.
- e. At least one Director shall be a parent of a former, or currently enrolled Head Start child.

- B. **Number:** While it is the intent to have a number that equals 3 Directors from each of the Community Action Agency designated Counties (one representative from each of the Public, Consumer, and Private sectors), it is recognized that periods may exist when it is difficult to achieve a full 30-seat

Board of Directors. Therefore, the number of Directors on the Board shall be set as a range from a minimum of 24 (twenty-four) to a maximum of 30 (thirty).

- C. **Petitions for Representation on the Board:** Representatives of any low-income or private group of interest will be entitled to a fair hearing if they feel that they are inadequately represented on the Board of Directors. To obtain a hearing, a group must submit a petition signed by 30 members of such group or interest to the Chairperson of the Board of Directors. Upon receipt of such petition received prior to mailing notice, the Chairperson will place the matter on the agenda for the next scheduled meeting. After the hearing, the Board may vote to include a representative of the petitioning group, assuming Board composition requirements and other applicable laws and regulations are met.
- D. **Length of Service:** Public officials or their representatives serve at the pleasure of the Board of Directors, and as long as the elected public official is currently holding office or term of representation is active. Representatives of the consumer and private sectors may serve indefinitely unless their respective organization nominates a replacement or any of the circumstances in this article, sections F, G, H, I J, K, M, or N are deemed applicable for removal.
- E. **Final approval to become a Director on the Board of Directors rests with the Board of Directors.**
- F. **Any group nominating members for the Board of Directors may also petition the Board to remove, and/or change, its representative on the Board of Directors.**
- G. **Whenever a currently serving Director on the Board does not meet the basic eligibility requirements; e.g., is no longer a resident of the county or sector, that Board seat will be automatically become vacant.**
- H. **A Director may be removed from the Board, for cause, by a two-thirds majority vote of those Directors present at a duly authorized meeting.**
- I. **Grounds for Removal:**
 - 1. **Absenteeism - three unexcused consecutive meetings within a calendar year.**
 - 2. **Disruption of Board meetings.**
 - 3. **Fraud - engaging in the act of cheating to secure unfair or unlawful gains.**
 - 4. **Defamation - causing libel or slander of any of its members.**

5. Theft of personal property.
6. Misrepresentation - making an incorrect or misleading representation and/or serving incorrectly or dishonestly as an official representative of the Board.
7. Conflict of Interest (See item M, this section).
8. Misconduct as may be determined by the Board.

J. **Procedure for Removal:** Any Director who is in violation of Section I, Item 1 of the aforementioned, shall be notified that unless cause for the absence is shown at the next regular meeting, he/she will be removed from the Board's roster. In the event the Director does show cause, the Governance Committee shall determine and report to the Board as to whether or not the Director is still interested in, and will be able to fulfill the responsibilities of a director on the Board. If the Director is given a favorable report, he/she may be reinstated by the Board. If a Director is suspected of the aforementioned grounds, Section I, Items 2-8, or consideration of removal, the charge(s) must be presented to the Board in writing and the matter referred to the Governance Committee for investigation and recommendation. The Governance Committee shall hold a hearing at which time the accused and the accuser shall be given the opportunity to ventilate the matter. At its next regular Board meeting, or special meeting, whichever comes first, the Governance Committee shall report to the Board, in writing, the results of the investigation and its recommendation as to the disposition of the situation or Director involved.

K. **Vacancies:** There is a vacancy on the Board when a Director has been notified of his/her official removal by action of the Board, for cause; when a Director notifies the Board of his/her resignation; when the designating officials remove a public official or their representative; or when a public official leaves office.

Vacancies will be filled utilizing the procedure outlined in Item A of this Article.

L. **Voting Rights:** While in-person participation is preferred and generally expected, directors may attend, participate, and vote by electronic means in regular or special and committee meetings of the Board in accordance with the Electronic Participation in NMCAA Board Meetings Policy and state law. For these purposes "electronic means" shall be defined as attendance via telephone video or audio conferencing, or other electronic device.

Voting by proxy is not permitted at meetings of the Board or of its committees. This prohibition applies equally to all Board members.

M. The Board of Directors shall adopt conflict of interest policies meeting all federal, state, and funding source rules and regulations.

1. Board of Directors Conflict of Interest Policy: The Board shall adopt a conflict of interest policy applicable to all Board directors, containing the following standard:

No Board Director of the Corporation shall participate in the selection, or in the award or administration of a contract supported by federal, state or agency funds if a conflict of interest, real or apparent, would be involved. Such a conflict arises when the Board Director, any member of his/her immediate family, an organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. Board Directors will neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub agreements, except where the financial interest is not substantial, or the gift is an unsolicited item of nominal intrinsic value.

Violation of the above Standard is reason for immediate dismissal of a Board Director.

2. Staff Conflict of Interest Policy: As a part of the Corporation's personnel policies, the Board shall also adopt a conflict of interest policy applicable to staff, officers, and agents.

N. Board/Employee Relationships:

1. No person shall hold a job within the Corporation while either he/she or a member of his/her immediate family serves on the Board of Directors. For the purpose of this section, a member of an immediate family shall include any of the following persons: husband, wife, father, mother, brother, sister, son, daughter, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law.
2. A Director is not empowered to personally assign, suggest, or otherwise direct an employee of the Corporation in any matters whether related to Corporation operations and/or services or not. All such assignments, suggestions, or directions shall be made by the Executive Director.

ARTICLE VI
Officers

- A. At their regular annual meeting, the Board of Directors shall select a Chairperson, Vice Chairperson, Secretary and Treasurer, plus three Regional (Northern, Central, and Southern) Representatives, which shall constitute the Executive Audit Committee.

The term of office shall be for two (2) years and/or until their successors are chosen. The Directors selected to serve in the capacities noted above shall not serve more than two (2) consecutive terms in the same office.

- B. The Chairperson, Vice Chairperson, Secretary, Treasurer, and three Regional Representatives shall constitute the Executive/Audit Committee. The Executive/Audit Committee shall consist of Directors from each sector (public, private, low-income) and shall have each regional area (Northern, Central, Southern) represented in addition to the Board Chairperson. The immediate past chairperson shall serve as an ex-officio member of the Executive/Audit Committee.
- C. The Board of Directors may also appoint such other officers and engage such agents as they may deem necessary for the transaction of the business of the Corporation. All officers and agents shall respectively have such authority and perform such duties in the management of the property and affairs of the Corporation as shall be designated by the Board of Directors. Without limitation of any right of an officer or agent to recover damages for breach of contract, the Board of Directors may remove any officer or agent, whenever, in their judgment, the business interests of the Corporation will be served thereby. The Board of Directors may secure the fidelity of any of such officers or agents by bond or otherwise.
- D. If a position on the Executive/Audit Committee should become vacant during the year, an election shall be held at the next regularly scheduled meeting of the Board to fill this vacancy.
- E. Removal: The Board of Directors may remove any officers, by two-thirds majority vote whenever, in their judgment, the best interest of the Corporation shall be served.

ARTICLE VII
Duties of Officers

- A. Chairperson:**
The Chairperson shall be the chief voluntary officer of the Corporation. It shall be the duty of the Chairperson to preside at all meetings of the governing board and the Executive/Audit Committee. He/she shall designate, subject to concurrence of the Board, the Chairperson and composition of all standing and special committees. He/She shall serve ex- officio on all board committees, except the nominating committee, and shall perform all duties that may pertain to his/her position. He/She shall, on behalf of the Corporation, execute such notes, deeds, contracts, or other documents as the Board may direct.
- B. Vice Chairperson:**
In case the office of Chairperson shall become vacant by death, resignation, or otherwise, or in case of the absence of the Chairperson, or the Chairperson's inability to discharge the duties of his/her office, such duties shall become the responsibility of the Vice Chairperson, who shall also perform such other acts as the Board of Directors may, from time to time, authorize this officer to do.
- C. Secretary:**
The Secretary of the Corporation shall be responsible for ensuring that accurate minutes of the meeting of the Board of Directors are kept and are prepared to report minutes of the previous meetings. All official minutes shall be kept and maintained in the Main Office of the Corporation. This officer shall sign, with the Chairperson or Vice Chairperson, in the name of the Corporation, all contracts which require same, as authorized by the Board of Directors.
- D. Treasurer:**
The Treasurer shall follow guidelines established in the Corporation's Financial Policies and Procedures and ensure financial reports are provided to the Board of Directors.

ARTICLE VIII
Committees

- A. Standing Committees:**
The Board hereby establishes the following standing committees:
Executive/Audit, Planning/Evaluation, Personnel, and Governance.
- B. Other Committees:**
The Board of Directors may establish other committees, as needed, by appointment of the Chairperson, who shall then appoint participants, subject to the approval of the Board. The duties of such committees shall be as established by the Board of Directors and their participants need not be Directors of the Corporation.
- C. Composition:**
Committee composition should fairly reflect the composition of the entire Board.
- D. Committee Responsibilities:**
- 1. Executive/Audit Committee:** Shall be composed of the Chairperson, Vice Chairperson, Secretary, Treasurer, and three at large Directors each representing one of the three geographical regions (Northern, Central and Southern). The Executive/Audit Committee possesses the delegated authority of the Board of Directors to act in lieu of the full Board between regular Board meetings to transact routine business for the Corporation and/or exercise such other authority as delegated and designated by the Board. The Executive/Audit Committee shall also review the selection of an auditor and oversee the audit process; approve any non-audit services provided by the auditor; oversee internal controls, conflict of interest, and whistleblower policies; and ensure the auditor's management letter concerns are addressed and resolved.
 - 2. Planning/Evaluation Committee:** Shall develop long- and short-range agency plans for presentation to the Board of Directors in addition to participating in the evaluation of agency programs.
 - 3. Personnel Committee:** Shall review and update Personnel Policies, as needed, and advise and/or provide direction on personnel issues which affect the operation of the Corporation.
 - 4. Governance Committee:** Shall coordinate the Board's periodic review of the By-Laws and recommend updates; coordinate the Board's periodic review of the articles of incorporation; make recommendations to fill Board vacancies when they arise; participate as required in Director removal (Article V, Section J); recommend committee participation to the Board

Chairperson reflecting the tripartite and geographic structure of the Board; recommend the slate of officers for selection of the Executive/Audit Committee; develop written job descriptions and expectations for Directors; coordinate orientation for new Directors and training for all Directors; and coordinate the Board's periodic review of itself.

5. **Fund Development Committee:**
Assist in the development and execution of the NMCAA's fundraising program and initiatives for the organization: ensuring cost effective activities, strong donor stewardship and ethical practices.

6. **Senior Nutrition Investment Committee:**
Responsible for management and oversight of donated funds in the Investment Fund as outlined in the NMCAA Senior Nutrition Investment Fund Policy. The committee will report to the Board of Directors at least quarterly.

7. **(Ad hoc) Housing Committee:**
Vet emerging community and housing development opportunities and prepare recommendations for consideration by the full Board of Directors considering community need, organization fit, organizational capacity, etc.

8. **All committees shall prepare and maintain minutes of their meetings.**

9. **All Committees shall report on their activities and as appropriate make recommendations to the full Board at the Board's next regularly scheduled meeting.**

ARTICLE IX
Meetings

A. Annual Meetings

The Annual Meeting of the Board of Directors shall be held at the time and place that the Board of Directors shall establish, for the purpose of electing officers and transacting any other business which may lawfully come before the meeting.

B. Regular Meetings

Regular meetings will be held the third Thursday of every month, with July and December being optional to be decided by the Board at the preceding meeting. Cancellations or postponements may be initiated by the Executive Director in consultation with the Chairperson or acting Chairperson of the board.

C. Special Meetings

Special meetings of the Board may be convened for specified reasons by the demand of the Chairperson, or by the demand of three or more Directors.

D. E Meetings

The Executive/Audit Committee may take required or permitted action through an E Meeting (email transmission or conference call) if all members of the Committee consent to the action in writing or by electronic transmission. The written consents shall be filed with the minutes of the Board.

E. Virtual Meetings

Exigent circumstances may from time to time prevent the Board of Directors from holding any meeting in-person. During such emergencies, and in accordance with all applicable federal, state, and funding source guidance, a regular, special, or committee meeting of the Board of Directors may be conducted virtually. A virtual meeting is a meeting conducted entirely over video or audio conferencing and where no physical meeting of any directors occurs. A virtual meeting is subject to the notice requirement and must be held at a designated time and date. Instructions for virtual participation and public input shall be provided in any such notice of a virtual meeting.

No mileage reimbursement (as provided in Article IX, Section I) will be available to any director for virtual meetings unless travel is required to participate virtually.

F. Notice of Meetings

The Board of Directors shall be provided written notice of, and agenda for, Annual and Regular Meetings at least five days in advance. Notice shall be provided to each Director at their contact information on file, and shall be deemed to have been sufficient upon the transmission of an email notice or upon deposition of a paper notice in a post office box, postage prepaid. Written or verbal notice of Special Meetings will be given with at least 24-hour advance notification. E Meetings are subject to the notice requirement and must be held at a designated time and place. Notice to the public of Board and committee meetings will be posted according to the current content, timing, and accessibility requirements of the Open Meetings Act and shall be posted at the NMCAA principal office and on the NMCAA website.

G. Quorum

A majority of the Board of Directors constitutes a quorum for the transaction of business. A quorum shall be 51% of the seated members. All Directors have an affirmative duty to notify the Chairperson or Executive Director if they are unable to attend any meeting. If no quorum is present, time-sensitive decisions may be referred to the Executive/Audit Committee.

H. Minutes

The Board shall keep, for each meeting, written minutes which include a record of votes on all motions. Minutes of the previous meeting shall be distributed to all Directors before the next meeting and shall be available to the public upon request.

I. Compensation

No Director shall receive any compensation from the Corporation for services rendered as a Director. No Director shall serve the Corporation in any other capacity and receive compensation from the Corporation for such services.

However, due to the multi-county, 5,000 square mile service region, consumer sector, private sector, and public sector representatives not reimbursed by their respective government or organizational entity will, in accordance with the Corporation's Financial Policies and Procedures, receive mileage reimbursement at the current IRS published rate for each Board of Directors meeting or combination of meetings attended in person, whether annual, regular, committee, or special.

J. Public Input

An individual shall be permitted to address a meeting of the Board of Directors, during a period set aside at the initiation of such meeting, under the following conditions:

- a. Upon requesting entry onto the agenda, in writing, at least three working days in advance of the meeting, and/or
- b. Upon being recognized by the Chairperson.

No person shall be excluded from a meeting of the Board except for a breach of the peace threatened or actually committed at the meeting.

K. Order and Control of Meetings

As provided in Article 7, Sections A and B, the Chairperson of the Board of Directors shall preside over all meetings of the Board of Directors, or in the absence of the Chairperson, the Vice Chairman shall preside as acting Chairperson for that meeting. In the event that both the Chairperson and Vice Chairperson are both unable to attend a meeting in-person (as required by the Electronic Participation in NMCAA Board of Directors Meetings Policy), a member of the Executive Committee attending the meeting in-person shall be appointed by the Board of Directors as acting Chairperson for the purposes of that meeting. In the event that no member of the Executive Committee is able to attend a meeting of the Board of Directors in-person, any Director attending the meeting in-person shall be appointed by the Board of Directors as acting Chairperson for the purposes of that meeting.

ARTICLE X
Liability, Indemnification and Insurance

- A.** To the full extent permitted under the provisions of Michigan’s Nonprofit Corporation Act, Act No. 162 of the Public Acts of 1982, as amended, an individual serving on the Board of Directors shall not be personally liable to the Corporation or its Directors for monetary damages for a breach of the Director’s fiduciary duty.
- B.** To the full extent permitted by law, the Corporation shall indemnify any person who was, or is, a party or is threatened to be made a party, to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, other than an action by or in the right of the Corporation by reason of the fact that the person is, or was, a director, officer, employee, or agent of the Corporation against any and all expenses, including attorney fees, judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit, or proceedings if the person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation or its Directors, and with respect to any criminal action or proceedings if the person had no reasonable cause to believe that the relevant conduct was unlawful. The termination of any action, suit, proceedings, or equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in, or not opposed to, the best interests of the Corporation or its Directors or with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.
- C.** All determinations as to the propriety of indemnification will be conducted pursuant to Section 563 of the Act.
- D.** Indemnification: The Corporation shall provide indemnification to qualified individuals according to the following guidelines:
- 1. Mandatory Indemnification:** The Corporation shall indemnify each person who is or was a director or officer of the Corporation, or who is serving or has served at the request of the Corporation as a director, trustee, or officer of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, to the fullest extent permitted by the laws of the State of Michigan in the event any such persons was or is a party, or is threatened to be made, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative.
 - 2. Allowable Indemnification:** The Corporation may indemnify any person

who is or was an employee or agent of the Corporation and any person who is serving or has served at its request as an employee or agent of any other enterprise, to the fullest extent permitted by the laws of the State of Michigan in the event any of such persons was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

3. **Good Faith Requirement:** An individual may be indemnified only if the individual (1) has conducted him/herself in good faith; (2) reasonably believed: (i) in the case of conduct in his/her official capacity with the Corporation, that his/her conduct was in its best interests; and (ii) in all other cases, that his/her conduct was at least not opposed to its best interests; and (3) in the case of criminal proceeding, had no reasonable cause to believe his/her conduct was unlawful.

E. **Authorization of Indemnification:** Any indemnification under this Article (unless the indemnification is ordered by a court) shall be made by the Corporation only as authorized in the specific case, upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances. In the case of indemnification that is mandatory under Section D (1) of this Article, the determination shall be limited to whether the person to be indemnified has met the standards specified in section A and the amount of the indemnification permitted by law. Any determination under this section shall be made (a) by a majority vote of a quorum of the Board of Directors consisting of Directors not at the time parties to the proceeding; (b) if such a quorum is not obtainable, by majority vote of a committee designated by the Board of Directors consisting solely of two or more directors not at the time parties to the proceeding; or (c) by special legal counsel selected by the Board of Directors or by a committee as provided in (a) or (b) of this section, if a quorum cannot be obtained under (a) and a committee cannot be designated under (b), the special legal counsel shall be selected by a majority vote of the full Board, in which selected directors who are parties to the proceeding may participate.

F. **Advance Payments:** Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of (a) written affirmation from the director, officer, employee, or agent of his/her good faith belief that s/he is entitled to indemnification as authorized in this Article, and (b) an undertaking by or on behalf of the director, officer, employee, or agent to repay such amount, unless it shall ultimately be determined that s/he is entitled to be indemnified by the Corporation as authorized in this Article.

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- G. **Non-Exclusivity and Continuation:** The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any agreement, vote of disinterested directors, or otherwise, both as to action in the person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall insure to the benefit of the heirs, executors, and administrators of such a person.
- H. **Insurance:** The Corporation may purchase and maintain insurance (a) to insure itself with respect to the indemnification payments it is authorized or obligated to make pursuant to this Article, and (b) on behalf of any person who is or was a Director, officer, employee, or agent of the Corporation, or who is or was serving at the request of the Corporation as a Director, trustee, officer, employee, or agent of another Corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, to insure against any liability asserted against such person and incurred by him/her in any such capacity, or arising out of his/her status as such, whether or not the Corporation would have the power to indemnify the person against such liability under the provisions of this Article.

ARTICLE XI
Amendments Process

These By-Laws may be amended by vote of a two-thirds majority of the non-vacant seats of the Board of Directors at any regularly called meeting, providing notice in writing of such meeting, indicating the nature of such amendment, is distributed to each Director at least five (5) days prior to such meeting.

ARTICLE XII
Dissolution of Corporation

The dissolution of the Corporation shall be in accordance with Michigan State law and funding source close-out procedures. No assets of the Corporation shall inure to any Director on the Board of Directors or staff upon the dissolution of the Corporation, but shall be utilized for the benefit of other Community Action Agencies or similar non-profit organizations within the State of Michigan.

ARTICLE XIII
Miscellaneous

A. Fiscal Year

The fiscal year of the Corporation shall be October 1 to September 30.

B. Non-Discrimination

It is understood that the Corporation will comply with the Michigan Elliott-Larsen Civil Rights Act and the regulations of funding agencies issued pursuant to that Act to the end that no person shall, on the grounds of Religion, Race, Color, National Origin, Age, Sex, Marital Status, Height, Weight, Physical or Mental Handicap, Arrest Record or Political Affiliation be excluded from participating, be denied the benefit of, or be otherwise subjected to discrimination under any program or activity.

C. New Directors

1. Every person becoming a Director on the Board shall be deemed to assent to these By-Laws, and shall designate to the Secretary, the address to which he/she desires that the notice herein required to be given may be sent; and all notices mailed to such addresses, with postage prepaid, shall be considered as duly given at the date of the mailing, and any persons failing to so designate his/her address shall be deemed to have waived notice of such meeting.
2. New Directors (as well as present Directors) shall be given the opportunity to attend an orientation session(s) within six months of their appointment to the Board of Directors. This orientation shall be given by the Board Chairperson or his/her designee(s).