

BYLAWS OF
COMMUNITY RESIDENCE CORPORATION
A MICHIGAN NON-PROFIT CORPORATION

Article I. NAME, LOCATION AND PURPOSES

Section 1.1: The name of the corporation is Community Residence Corporation referred to as "CRC" or "The Corporation."

Section 1.2: The location of the Corporation's registered office shall be set by resolution of the Board of Directors.

Section 1.3: The Corporation is formed exclusively for charitable purposes as detailed in the Articles of Incorporation and any Amendments thereto.

Article II. BOARD OF DIRECTORS

Section 2.1: The government of the Corporation and the management and control of its affairs is vested in the Board of Directors and they shall have and exercise all of the powers possessed by the Corporation itself.

Section 2.2: Subject to the requirements of the law of the State of Michigan, the board may from time to time, determine the number of directors positions on the board, but in no case shall the number be less than three (3) nor more than twenty (20). There shall be three (3) classes of Directors. Class A Directors' terms shall expire in years ending in zero (0), three (3) and six (6). Class B Directors' terms shall expire in years ending in one (1), four (4) and seven (7). Class C Directors' terms shall expire in years ending in two (2), five (5) and eight (8).

Section 2.3: Board members will be elected for upcoming terms effective December 1 of that year at the annual meeting from a list of nominees submitted prior to this meeting by a committee of the Board established for the purpose of making nominations, if there be one, and/or from nominations made from the floor. Candidates for

the Board may be nominated to only one of the Classes of Directors at a time.

Section 2.4: The term of membership on the Board of Directors shall be determined by the Class to which the Director is elected.

Section 2.5: It is the goal of the Corporation that the composition of the Board shall consist of at least one third membership of parents or other relatives of people who have developmental disabilities.

Section 2.6: The Board may, at any meeting, remove any Board member, Officer or agent, by vote of a majority of the total membership of the Board when, in their judgment, the corporate purposes will be served. The removal motion must be stated on the written Agenda of the meeting.

Section 2.7: The Board of Directors may at any meeting, accept the resignation of any member, Officer, or agent. Acceptance of the resignation is not necessary to effect the resignation.

Section 2.8: Board responsibilities include: the hiring and evaluation of the President/Chief Executive Officer, maintaining the financial integrity of the Corporation, approving plans, approving contracts, representing the Corporation to the public, raising funds, making a personal financial contribution to the Corporation in accordance with the Board's giving policy, setting policies for the Corporation and recognizing the public need.

Section 2.9: The Board of Directors shall also appoint a person who will be in charge of the day to day operations of the Corporation to be known as the President/Chief Executive Officer. The President/Chief Executive Officer shall be charged with the hiring and firing of other staff of the Corporation, and shall serve as the General Manager of the Corporation.

Section 2.10: In the case of a vacancy on the Board of Directors, the person who is elected to fill the vacancy shall be enrolled in the same Class of Directors as the vacant position is designated.

Section 2.11 COMMITTEES

The board may designate committees composed of one (1) or more directors. Committee chairpersons and members shall be selected by the Chair and approved by the board. Subject to the restrictions set forth in Section 528 of the Michigan Nonprofit Corporation Act, the board may delegate responsibilities or tasks to the committees by resolution. A majority of any committee may fix the time and place of its meetings, unless provided otherwise by the board. A majority of the members of a committee must be present to constitute a quorum for the transaction of business. The affirmative vote of a majority of those present shall be necessary for approval of any committee action.

The board shall have the power at any time to fill vacancies in, to change the size or membership of, to discharge any committee, and to appoint special committees. Each committee shall keep a written record of its acts and proceedings and shall submit its record to the board. All actions of committees are subject to approval by the full board. Except as provided for the Executive Committee, committees do not have power or authority to act for the board.

The board may appoint committees which include members who are not directors for purposes of fundraising and public relations.

EXECUTIVE COMMITTEE

There shall be an Executive Committee composed of the officers of the corporation and may include up to two (2) additional members appointed by Chair, subject to the approval of the full board. To the extent provided by law, the board may delegate to the Executive Committee any of the powers of the board of directors. The Executive Committee shall have all powers and duties of the Board of Directors in between meetings of the Board, except that of amending these by-laws or discharging the Chief Executive Officer. However, the Executive Committee may suspend the Chief

Executive Officer, with pay, until the next meeting of the Board of Directors. In the event of a vacancy in the office of Chief Executive Officer, the Executive Committee may hire and/or appoint an Interim Chief Executive Officer who shall have all powers and duties of the Chief Executive Officer until further action by the full Board.

NOMINATING COMMITTEE

There shall be a Nominating Committee consisting of not more than three (3) directors. The Nominating Committee shall propose a slate of directors and officers for election by the board. Nominations of persons for election to the board may be made from the floor at the meeting of the board of directors at which the election is to be held.

Article III. OFFICERS OF THE CORPORATION

Section 3.1: The Officers of the Corporation shall consist of the President, Chair, Vice-Chair, Secretary and Treasurer. Officers, other than the President, shall be elected by the Board of Directors at the annual meeting from a list of nominees submitted by the Nominating Committee of the Board, if there is one, and/or from nominations made from the floor. The terms of elected officers shall be two (2) years. Each term shall start on December 1 of that year and end on November 30 two (2) years later.

Section 3.2: All officers shall respectively have such authority and perform such duties in the management of the property and affairs of the Corporation as may be delegated by the Board of Directors including the following:

- a: The Chair shall, when present, preside at all meetings of the Board. The Chair shall have the power to appoint standing or temporary committees of the Board.
- b: The Vice-Chair shall discharge the duties of the Chair in the absence of the Chair.

- c: The Secretary of the Corporation shall keep the minutes of all meetings of the board and of the committees and such other records as may be directed by the Board of Directors or the Chair. He or she shall attend to the giving of all notices.
- d: The Treasurer of the Corporation shall serve as advisor on all financial matters and, when present, preside at all meetings of the Finance and Personnel Committee. The Treasurer shall review the budgets, expenditures, and financial audits of the corporation.

3.3 PRESIDENT/CHIEF EXECUTIVE OFFICER

- a. The President/Chief Executive Officer shall have general supervision of and responsibility for the finances, property, and business of the Corporation. He/She shall advise the board on the business and financial activities of the Corporation. . The President shall be Chief Executive Officer of the Corporation and shall have all duties and powers customarily incident to that office including, but not limited to:
 - 1. The hiring and firing of employees.
 - 2. The discharge of officers appointed by the President.
 - 3. Signing any and all contracts approved by the Board or under these by-laws.

The President may be an employee of the Corporation and, as such, would be entitled to agreed-upon compensation.

Additional duties and powers of the President/CEO may be contained a job description for that position.

Article IV. MEETINGS

Section 4.1: The annual meeting of the Board shall be held in November of each year, or some other time as the Board may set for the purpose of electing Board members and Officers, and transacting any other business which may lawfully come before the Board. Notice of the meeting shall be given to each Board member as provided in Section 4.6 of these bylaws.

Section 4.2: The general time and place of the regular meetings will be determined at the annual meeting.

Section 4.3: Special meetings of the Board may be called by the Chair or by a majority of the Board Members. Such call, together with the purpose thereof and signed by those making the call, must be made in writing to the Secretary. The Secretary shall fix a time and date, not exceeding thirty (30) days from the time of the receipt of the demand. Written notice stating the time, place and purpose of the meeting, signed by the Secretary or Chief Executive Officer shall be given each Board member at least five (5) days prior to the meeting, unless notice is waived in writing by the Board member.

Section 4.4 QUORUM AND VOTING

A quorum is a simple majority of the current board members. The act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the board, except to take certain actions. In order to take any of the following actions, a majority vote of the entire board is required:

1. To amend the Articles of Incorporation or bylaws;
2. To approve a merger, consolidation, or dissolution of the corporation;
3. For the sale, lease, exchange, or other disposition of all or substantially all of the property and asset of the corporation.
4. To remove a director or officer.

Directors may not vote by proxy and may not delegate their duties to any other persons except as provided by law or in these bylaws.

Section 4.5: All actions of the Board shall be documented in the minutes of the meetings. Copies of Board minutes are to be distributed to all Board members and copies of minutes are to be kept on file at the Corporation office.

Section 4.6 NOTICE

Notice of each regular or special meeting of the board shall be given to each director at least seven (7) days before a meeting. The notice shall specify the place, date, and hour of the meeting. Except for the special notice requirements below, the notice need not state the business to be transacted or the purposes of the meeting. Notice of board and committee meetings may be given by first class mail, facsimile, or electronic mail to the person or to his or her representative at his or her last known address, fax number or e-mail address. A mailed notice is considered given when mailed.

SPECIAL NOTICE REQUIREMENTS:

The following special notice requirements for certain corporate actions by the board shall be observed prior to a vote:

1. To amend the Articles of Incorporation or the bylaws, ten (10) days notice must be given along with a copy or summary of the proposed action.
2. To approve a merger or consolidation of the corporation, twenty (20) days notice must be given along with a copy or summary of the plan.
3. For sale, lease, exchange or other disposition of all or

substantially all of the property and assets of the corporation, twenty (20) days notice must be given along with a copy or summary of the plan.

4. To dissolve the corporation, ten (10) days notice must be given, along with a copy or summary of the plan.

WAIVER OF NOTICE:

Any meeting of the board or any action requiring notice shall be valid without notice if all the directors are present or have provided a written waiver of notice to the corporation.

Section 4.7: ACTION BY CONSENT IN WRITING

The board may take action without a meeting if the entire board consents to the action in writing. The consents shall be filed with the minutes of the proceedings of the board, and shall have the same effect as a vote of the board. Written consents may be sent by e-mail if:

1. the e-mail contains information from which the organization can determine that the transmission was sent by the director and the date on which the transmission was sent; and
2. the e-mail is reproduced in paper form and the paper is kept on file at the principal office of the organization.

Consents sent by e-mail are considered signed on the date when the email was sent. The consents shall be filed with the minutes of the proceedings of the directors.

Section 4.8: ATTENDANCE BY CONFERENCE TELEPHONE

To the extent allowed by law, the Board or a committee may meet with one or more of its members present by telephone or by video conference as long as all member of the Board or committee can communicate with each other.

Article V. FISCAL YEAR

The fiscal year of the Corporation shall be October 1 through September 30 of the following year or such other time as the Board determines.

Article VI. CORPORATE RECORDS

Section 6.1

The corporation shall keep at its principal office the following books and records:

- (a) Minutes of all meetings of the board and committees, indicating the date and time of the meetings, whether regular, or special, the notice given, the names of those present, and the actions taken, and signed by the secretary or committee chairperson
- (b) Adequate and correct books and records of account
- (c) A copy of the Articles of Incorporation and bylaws as amended to date
- (d) Copies of Federal tax returns and application for exempt status, which shall be open to inspection and copying as required by law

6.2 INSPECTION OF CORPORATE RECORDS

All books, papers and documents belonging to the Corporation wherever located, shall be open to the inspection by the corporate directors at all times during business hours.

Article VII. BUSINESS MANAGEMENT, FINANCE AND PROPERTY

Section 7.1: EXECUTION OF CHECKS AND NEGOTIABLE INSTRUMENTS

Unless otherwise directed by the board or required by law, all checks, drafts, notes, bonds, bills of exchange, and orders for the payment of money may be signed by any two of the following officers: the President, Chair, Treasurer, or Secretary. The board may authorize any of its officers or employees, other than those named above, or different combinations of officers and employees to sign checks, drafts, and orders for the payment of money for any amounts. The board may authorize the use of facsimile signatures of any officers or employees in lieu of manual signatures.

Section 7.2: CORPORATION FUNDS.

Corporation funds shall be deposited in a timely manner in such banks as approved by the board.

Section 7.3: GIFTS TO THE CORPORATION

All gifts to the Corporation in the form of money and securities or in any other forms, whether for the benefit of the entire institution or any of its subdivisions, must be reported to the Chief Executive Officer and the Board and, in the case of restricted gifts, accepted by the Chief Executive Officer and the Board.

Section 7.4 RECEIPT OF FUNDS

The corporation is authorized to receive and maintain funds, to have, hold, manage and sell the same, to change the investments, to invest and reinvest the proceeds, and to collect and receive the income. The corporation may serve as trustee of property, accept property in trust for the corporation, and apply the income and principal to the aid and assistance of the corporation.

Section 7.5 DISBURSEMENT OF DONATED FUNDS

All funds raised by the corporation shall be used on behalf of the corporation and according to any restrictions upon the use of those funds expressed by the donor. The board must approve all disbursements of donated funds in excess of \$1000.00.

Section 7.6 EXECUTION OF CONTRACTS

The board may authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized, no officer, director, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it monetarily liable for any purpose or in any amount.

Article VIII. Indemnification

Section 8.1: Any person made a party to or involved in any litigation (which term shall include any actual or threatened civil, criminal or administrative action, claim, suit, proceeding or appeals therefrom) by reason or the fact that he/she at any time was or is a director or officer of the Corporation shall (to the fullest extent permitted by law) be indemnified by the Corporation against all liabilities and all expenses reasonably incurred by him/her arising out of or in connection with the litigation provided that the person has not breached his/her duty to the Corporation, and provided further it is determined:

- a. That the person acted in good faith for a purpose which he/she reasonably believed to be in the best interest of the Corporation
- b. In the case of criminal litigation that the person had reasonable cause to believe that his/her conduct was lawful.

Section 8.2: Except as provided in Section 1 of this Article, the termination of any litigation by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not create a presumption that a person did not meet the applicable indemnification standard set forth in Section 8.1 of this Article.

Section 8.3: Any indemnification shall be made only after:

- a. The Board of Directors (acting by a quorum consisting of directors who are not involved in the litigation) determines that the person has met the applicable indemnification standard set forth in Section 8.1 of this Article or,
- b. In the event of the inability to obtain a quorum consisting of directors who are not involved in the litigation, the Board of Directors determines, based upon the written opinion of independent legal counsel, that the person has met the indemnification standard.

Section 8.4: Advances may be made by the Corporation against costs, expenses and fees at the discretion of, and upon such terms as may be determined by the Board of Directors.

Section 8.5: The right of indemnification provided here shall not be deemed exclusive of any other right to which a person may be entitled, or of any other indemnification which may lawfully be granted to a person. Indemnification provided here may, in the case of death of a director or officer, inure to the benefit or her/her heirs, executors or other lawful representative, in the discretion of the Board.

Article IX. AMENDMENTS

The members of the Board of Directors of the Corporation may amend these by-laws by majority vote of the entire board at any duly called regular or special meeting, if notice of the proposed amendment was contained in the notice of the meeting and that notice was sent at least ten (10) days prior to the meeting. Amendment may also be made by written consent of the entire board as provided in Article 4, Section 4.7 of these Bylaws.

Approved by the Board of Directors 12-19-2012