

For the sake of what?

Does this move us in the direction of our mission?

Is this the best use of resources?

Is this the direction we said we want to go?

Our Mission:

Pathway Homes embodies the spirit of recovery: embracing an attitude of hope, self-determination and partnering with each individual on their personal journey toward achieving self-fulfillment and realizing their dreams.

We fulfill our mission by making available to individuals with mental illness and co-occurring disabilities a variety of non-time-limited housing and services to enable them to realize their individual potential.

PATHWAY HOMES, INC.

Board of Directors

Monday, April 14, 2014

7:00 P.M.

10201 Fairfax Blvd., Ste. 200

Fairfax, VA 22030-2209



- 6:30 Social Half-hour
- 7:00 Call to Order
- 7:05 Presentation - Risk Management (HIPAA)
Eleanor Vincent, EdD, CSAC, Chief Operating Officer
- 7:30 Approval of Minutes of Meeting January 13, 2014*
Approval of Minutes of Special Meeting March 20, 2014*
- 7:35 CEO's Report – Dr. Sylisa Lambert-Woodard
- 8:00 Treasurer's Report - Brenda Brennan
- 8:05 Chairperson's Report and Comments
- 8:15 Committee Reports
 - 1. Philanthropy Committee—Maiko Ashby
 - 2. Board Development Committee—Jennifer McKenzie
- 8:30 Old Business
- 8:35 New Business
- 8:40 Announcements
- 8:45 Adjournment

* Materials Enclosed in Packet

PATHWAY HOMES, INC.

Minutes of the Meeting of the Board of Directors January 13, 2014

A quarterly meeting of the Board of Directors was held on January 13, 2014. Dan Gray called the meeting to order at 7:07 p.m. The following individuals were present and participated throughout the meeting:

MEMBERS

Dan Gray, Chair
Jennifer McKenzie, Vice-Chair
Tom Rowe, Secretary & Treasurer
Dara Aldridge
Maiko Ashby
Jennifer Judelsohn
Angie Lathrop
Jennifer McKenzie
Jim Ross
Sue Zywokarte

STAFF

Sylisa Lambert-Woodard, President & CEO
Brenda F. Brennan, V.P. for Finance
Sherry Meyers, V.P. for Clinical Services
Anita Robinson, V.P. for Clinical Services
Lauren Leventhal, Technology & Quality
Assurance Manager
Anna Smith, Director of Development and
Major Gifts

The following individuals notified the office or other Board Members that they would not be present for this meeting: Patrick Chaing, Emil Franks.

PRESENTATION

Emergency Preparedness: Sylisa Lambert-Woodard asked that members of Leadership Team present on various aspects of the Agency's planning for emergencies.

Anita Robinson spoke about planning for emergencies for individuals in Pathway Homes residents. Staff and consumers plan for a variety of potential disasters, including fire, carbon monoxide, severe weather, illness/injury, and feeling threatened. Community-based evacuation was identified as the hardest to plan for, but Pathways trains individuals to listen to instructions using battery-operated radios. Debriefing is done after each emergency – even small events such as a snow day. Each location has an emergency preparedness kit which includes batteries, food and water and other supplies considered best-practice. Additionally, all homes are equipped with fire extinguishers and smoke detectors.

Brenda Brennan spoke about emergency preparedness and disaster recovery as it pertains to accounting, payroll, financing and property management. She displayed the “Red Book” which is a carefully-compiled set of instructions for carrying out all accounting functions. There are 3 copies of the book – in the possession of Sylisa, Brenda, and the Controller. It is written in step-

by-step instructions so that someone not familiar with the functions can carry them out. This book is reviewed by the auditors every year as part of the audit controls.

Sylisa presented a brief explanation of the Management Team presentation from earlier in the year given by Belinda Buescher, Director of Communications for the Community Services Board. She spoke about best-practices in crisis situations and the importance of ensuring that the entire agency is aware of the protocol: “I am not authorized to speak with the media, but let me connect you with someone who can help you.” The presentation also stressed the importance of not getting defensive, but instead, expressing condolences if there is a death. Be honest, be forth-coming, and be aware of privacy; do not speak of what you do not know. Sylisa also stressed that it is important to communicate carefully on social media as representatives of the Agency.

Jim asked what residents do in a crisis if they call after hours. Anita explained that residents are trained to use an on-call phone procedures to reach someone who can address their concern in the event of an emergency.

MINUTES

Dan Gray called for a motion to approve the minutes from October 14, 2013 as presented. Jim Ross made a motion to approve, which was seconded by Tom Rowe and approved unanimously.

CEO Report – Dr. Sylisa Lambert-Woodard

The Addendum to the Board Agenda was distributed prior to the meeting, and Sylisa discussed the following items in addition to those in the addendum.

- Sylisa thanked Dan Gray who drove to Norfolk to receive the Governor’s Award for Best Housing Program or Services.
- She also thanked the board for their support and condolences in the time of Don’s loss. She also commended Brenda who has done a very good job of supporting the accounting team and his family.
- Pathway Homes put in grants totaling more than \$10 million dollars in the past quarter. Prince William has extended a contract for the ALF. Pathways hopes to purchase a \$500-\$550 thousand dollar home for approximately \$250- thousand using an REO.

TREASURER’S REPORT – Brenda Brennan

There was nothing new to report not previously addressed on the Treasurer’s Report.

CHAIRPERSON’S REPORT AND COMMENTS – Dan Gray

- Dan reported having a good time attending the Governor’s Award luncheon. He has been looking for the official pictures, but has not been able to find them. Anna reported that Pathways just received the photo, and she will forward it.
- The Help the Homeless walk was a success, and Gerry Connolly was in attendance and spoke.
- The Audit meeting was held on November 18th and went well.
- Dan expressed appreciation to leadership for keeping the Board in the loop about Don Scott and his passing.

PHILANTHROPY COMMITTEE REPORT – Maiko Ashby and Anna Smith

In addition to the written Philanthropy Committee Report (enclosed in the Board minutes book), the committee noted the following:

- The past year was a building and learning year for the committee.
- Fannie Mae will no longer support the Help the Homeless walk. The next philanthropy committee meeting will look at other options. There are opportunities for non-profits to take on their own events.
- The committee presents the campaign calendar. Jim suggested that Board members attend Steps to Pathways. Dan requested that the dates for Steps to Pathways be emailed to the Board so that they can work sign-up into calendars.
- The I.T. Campaign still has \$115 thousand to meet the goal.

BOARD DEVELOPMENT – Jennifer McKenzie

Jennifer proposed the idea that there should be a group composed of individuals who can no longer serve on the Board, but who still want to support the mission. She proposed the name “Friends of Pathways.” Examples of individuals who might join are Emil, Kathi Trepper, Ron Wilensky, and Wayne Gardella. Dan requested that the committee gauge interest in this group, and clarify the requirements for being a member – i.e., former Board members, or also other interested parties.

Jim expressed concern about Ron Wilensky personally emailing requesting donations for his Florida-based non-profit. Other board members considered this appropriate behavior, but reminded Jim that he could opt-out, or request to be excluded from such emails.

Jennifer M. requested that board members be on the look-out for potential board members. The committee will provide profiles of individuals who would benefit the board – based on an analysis of current strengths and potential needs.

AUDIT COMMITTEE – Tom Rowe

The committee met on November 18th, and has very little to report. There were no significant recommendations from the auditors. They were very complimentary of Pathway Homes and the accounting staff.

Jim said Brenda deserves kudos for her work during the audit. Brenda said it was the whole team. Tom reiterated that the team has work to do with the loss of Don Scott, and the Board will support them to the extent that they can.

ADVOCACY COMMITTEE – Jennifer McKenzie and Angie Lathrop

Jennifer passed out information to the Board which is enclosed in the Board Minutes book. She discussed Pathways' involvement with the Virginia Association of Community-Based Providers (VACBP). The coalition formed to give a voice to providers in Virginia. Currently, it is attempting to find a level playing field between private and public providers; now, the CSBs are favored.

Angie reported that the committee will send an email with a letter which may be sent to VA legislators in support of the VACBP platform. It is important to take action within the next 45 days as the budget is solidified. The two main stances are to get Mental Health Skill-building Services (MHSS) rates higher, and to allow private providers to be reimbursed for providing case management services – for which only CSBs may receive reimbursement now.

Jim encouraged homework for the Board: read “Crazy” by Pete Earley.

Jennifer reported she met with David Bulova and also Chap Peterson. And she encourages all Board Members to approach elected officials and educate them about mental health issues. Let them know that . And she encourages all Board Members to approach elected officials and educate them about mental health issues. Let them know that . And she encourages all Board Members to approach elected officials and educate them about mental health issues. Let them know that you represent Pathway Homes, Inc.

OLD BUSINESS –

There was no old business.

NEW BUSINESS –

1. **Advocacy:** has already been covered in the committee report; no further business.
2. **Visit Opportunities:** Two opportunities for Board Members to tour some of Pathways' older properties: Sheldon, Huntington, and Sheldon. The dates are February 6th at 3 p.m. and February 14th at 11 a.m. Board Members should respond to Sylisa by January 31st with their preferred date.

ANNOUNCEMENTS –

1. Cookout will be held at Nottoway Park on May 31st at noon. Invitations will be sent at a later time.

ADJOURNMENT

There being no further business, Jennifer McKenzie made a motion to adjourn the meeting. This was seconded by Jennifer Judelsohn and unanimously approved by the Board.

The meeting was adjourned at 8:50 p.m.

Respectfully submitted,

PATHWAY HOMES, INC.

Minutes of the Special Meeting of the Board of Directors

March 20, 2014

A special meeting of the Board of Directors was held on March 20, 2014. Dan Gray called the meeting to order at 12:00 p.m. The following individuals were present and participated throughout the meeting:

MEMBERS

Dan Gray, Chair
Tom Rowe, Secretary/Treasurer
Emil Franks
Jim Ross
Susan Zywokarte

STAFF

Sylisa Lambert-Woodard, President & CEO
Brenda F. Brennan, Vice President for
Finance

In attendance via phone: Jennifer McKenzie, Vice Chair; Jennifer Judelsohn; Patrick Chaing; Maiko Ashby; and Angie Lathrop

The following individuals notified the office or other Board Members that they would not be present for this meeting: Dara Aldridge.

INTRODUCTION

Sylisa expressed appreciation for the Board response to the 10 day notice of this special meeting. She provided an overview of the purpose of the special meeting in response to proceeding with our refinance of our six HUD Section 202/8 properties. She explained that our attorneys had prepared a draft resolution for Board approval related to the transfer of two properties from Pathway Homes to Pathways Living and suggested amendments to the corporate documents before closing.

Board had been provided in advance revised; Articles of Incorporation, By-laws and a number of motions and resolutions to be discussed and approved by the Board with a minimum of 2/3 attendance. All of these documents prepared by attorneys, with Board approval, will be filed with the State Corporation Commission, and are in compliance with current best-practices.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that Wayne Gardella is hereby elected as a director of the Corporation, effective immediately."

Tom Rowe made a motion to approve, which was seconded by Jim Ross and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that the Amended and Restated Bylaws of the Corporation and the Amended and Restated Articles of Incorporation presented this day are hereby adopted."

Jim Ross made a motion to approve, which was seconded by Sue Zywokarte and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that the President and/or the Chief Executive Officer is authorized and directed to execute and file Articles of Restatement with the Virginia State Corporation Commission and to take any and all other actions deemed necessary or appropriate to effectuate the Amended and Restated Articles of Incorporation."

Jim Ross made a motion to approve, which was seconded by Tom Rowe and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that the resignation of Wayne Gardella from the Board of Directors of the Corporation is accepted, effective immediately."

Sue Zywokarte made a motion to approve, which was seconded by Emil Franks and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that all prior acts of the Board of Directors are hereby ratified and confirmed."

Tom Rowe made a motion to approve, which was seconded by Emil Franks and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that the real estate, together with all improvements thereon, located at 6215 Pioneer Drive, Springfield, Virginia, and 5626 Sheldon Drive, Alexandria, Virginia shall be transferred to Pathways Living, Inc. by Deed of Gift and Assumption whereby Pathways Living, Inc. assumes all obligations under recorded deeds of trust affecting said real property."

Emil Franks made a motion to approve, which was seconded by Jim Ross and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that Sylisa Lambert-Woodard, as President and Chief Executive Officer of the Corporation, is authorized to execute and bind the Corporation to the terms and conditions of the Deed of Gift and Assumption in addition to all other documents deemed necessary or appropriate to effectuate such transfer, and to incur all reasonable and necessary fees and expenses in connection therewith."

Jim Ross made a motion to approve, which was seconded by Emil Franks and approved unanimously.

ADJOURNMENT

There being no further business, Tom Rowe made a motion to adjourn the meeting. This was seconded by Sue Zywokarte and unanimously approved by the Board.

The meeting was adjourned at 12:15 p.m.

ADDENDUM TO BOARD AGENDA

April 14, 2014

Our employees are indeed our greatest asset! Pathway Homes ranked #14 on the 2014 50 Best Non-Profits to Work For list! This is a true testament to our Board's governance and the talents, resilience, and commitment of our workforce. Please review the continued efforts put forth this quarter to remain on course with our vision, mission and strategic plan. I will be pleased to provide any additional information at our board meeting.

Board Matters:

- The Philanthropy Committee report from Maiko Ashby, and Treasurer's Report from Brenda Brennan, are provided as attachments. Please review these reports before the meeting; any questions or clarifications will be addressed during the meeting.
- Pathway Homes has purchased the final 1-bedroom condo with grant dollars from the Virginia Department of Housing and Community Development Permanent Supportive Housing Program (SHP) competition award for a total of 4, 1- bedroom condos. The \$500,000 award has been fully utilized to add these new beds to our Shelter Plus Care inventory to provide additional housing and supports for those who are chronically homeless.
- The HUD Homeless Assistance grant process was significantly delayed again this year and continued to incorporate numerous changes under the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH ACT) for our local Continuum of Care, and the grant ranking and submission process in general. Pathways submitted 11 renewal Supportive Housing Program and Shelter Plus Care grants totaling **\$3,071,422.00**. These grants provide housing and support services for 200 residents in 12 homes and 131 apartments. Pathways received full award for the upcoming year with inflationary adjustment.
- Pathway Homes continues to work with E&G development group in pre-development and consulting services to pursue the purchase of the Sunrise Assisted Living building in Lorton. The project seeks to partner with Christian Relief Services (CRS) to purchase and redevelop the facility. Pathways has secured the congregate living designation required to continue to pursue this property, and currently is working to resolve needed parking. We are awaiting update from the previously submitted Community Consolidated Funding Pool (CCFP) RFP for **\$4.3 million**. Notice of this award should be made in late April 2014. The second request submitted to the DHCD Housing Blueprint RFP totaling **\$5.8 million**, was not awarded, due to lack of site control. Reapplication of this grant is encouraged by DHCD in July, if site control can be verified. If successful, the project would greatly impact the critical need for permanent supportive housing for homeless individuals and provide workforce housing to adults in Fairfax County, many with severe co-occurring disabilities.

- Two additional grants were submitted for CCFP funding for FY 2015-16. One grant in the amount of **\$270,480** was submitted for provision of long term care services to 50 individuals with serious mental illness. A second grant application was submitted for **\$449,430** to provide services to an additional 50 individuals and promote self-sufficiency. Awards are anticipated to be announced in late April 2014.
- Pathway Homes has been in consultation with Bruce V. DeSimone, AICP, Senior Community Housing Officer of the Virginia Housing Development Authority (VHDA) regarding the recent HUD issuance of Section 811 Project Rental Assistance (PRA) State Program. This RFP will be submitted by the state on behalf of Pathways, and other eligible non profits, to receive project based rental assistance for permanent affordable housing for people with disabilities receiving long-term community support and services. Pathways has requested up to 25 subsidies to be used in our projected Lorton project and other units eligible for this subsidy.
- Pathway Homes has signed the contract for Mental Health Intensive Residential Services to operate an Assisted Living Facility (ALF) in Prince William, VA. The Community Services Block Grant (CSBG) from Prince William County for housing acquisition in the amount of **\$225,000** that will used with matching dollars to make this contract viable for operation is awaiting PW board approval in late April. Resident selection for this program has begun. We have submitted application to the Neighborhood Community Stabilization Trust Real Estate Owned (REO) or bank owned program (thank you Angie for the recommendation!) to secure discounted housing access in Prince William to optimize the anticipated award. We will also seek additional funding from the Virginia Housing Development Authority, as well as grants from Wells Fargo (\$50,000), and Sun Trust (\$50,000). Pathways anticipates formal opening for this program in July 2014.
- Pathway Homes responded to an RFP from the Fairfax Falls Church Community Services Board (CSB) to provide deployed clinical staff on an as needed basis. This proposal will provide Mental Health Counselors I and II to the CSB to improve the effectiveness and efficiencies within the CSB's behavioral health system. Pathway Homes was **awarded** this contract effective 4/8/14!!
- Pathway Homes was **awarded** the first **\$300,000** of CDBG funds to our *Community Housing Development Organization (CHDO) Pathways to Recovery!* This grant will be used to purchase two 1-bedroom condos or a townhome for 3 persons with serious mental illness and co-occurring disabilities.
- Pathway Homes is currently in early negotiations through invitation from the CSB and DHCD with Robert Pierre Johnson Housing Development Corp. of the National Capital (RPJ) Housing to assume their remaining portfolio of approximately \$1.5 million in housing assets (totaling 4 separate properties in South County). RPJ came under fire in 2010 when its executive director was accused of forging Fairfax County documents for loans. After numerous attempts at bailouts, the agency must liquidate its assets by the end of the year. Pathways will secure legal consultation prior to any formal contract.

- The annual recognition event was held on 3/28/14 at P.J. Skidoo's. Over 90 staff and board members attended this event. Major **Kudos** to our board Chair, Dan Gray who provided an impactful welcome and introduction of the nomination of our first Emeritus board member **Emil Franks!** Emil received a standing ovation from staff for his years of service and offered witty and impactful words of appreciation and motivation for staff! This year we celebrated 3 staff receiving 25 years of service awards to include our VP of Clinical Services, Anita Robinson!
- Pathway Homes is a finalist and was selected by a panel of independent judges for the innovation and impact of the employee development programs as they relate to engagement, growth and community service. The Helios Apollo Awards Breakfast Ceremony will be held on 5/28/14 at the Ritz Carlton in Tysons Corner, VA. This high energy, public ceremony is an opportunity to connect, collaborate and celebrate the investment that Pathways has made in its employee development program. The winners of the 2014 Apollo Awards will be announced in front of 500+ local CEOs and HR executives.
- Pathway Homes ranked #14 on the 2014 50 Best Non-Profits to Work For list!! The award program is sponsored by The Non Profit Times and Best Companies Group (BCG), which utilizes a nationwide survey to identify, recognize and honor the best places of employment in the non profit industry in the US. In the last three years Pathways has moved up from 47th place in 2012, 28th in 2013, and now 14th! What a great agency!!

TREASURER'S REPORT-April 2014

Brenda Brennan, Vice President for Finance

The Firm Commitment to refinance the three HUD mortgages for Huntington Avenue, Mary Baldwin Drive and the Pioneer/Sheldon projects has been reviewed and approved by HUD. The last remaining issue to resolve is the subordinate position to HUD of the Fairfax County Department of Housing and Community Development (DHCD).

In 2012, Pathway Homes was awarded funds from DHCD to provide substantial rehabilitation in these six properties with a CDBG-R Grant (Community Development Block Grant-Rehabilitative). The County was in a subordinate position to the HUD insured loan. However, the County has had some regulation changes and no longer permits the County to be in a subordinate position after some recent losses were experienced. Because we are refinancing, the new regulations apply to Pathway Homes and this CDBG-R grant. Paula Sampson, Director of Housing, has agreed to support Pathway Homes in this matter and present this application for refinancing directly to the Board of Supervisors for approval in June 2014. Unfortunately, we are unable to get on the agenda any sooner than this date. As a result and optimistic that the Board of Supervisors will approve the subordinate position, we are scheduled to go to closing by the end of June. We currently have a rate lock that expires April 30th. Any extension of this rate lock, costs the agency approximately a quarter of a percent, \$1600 for May and June 2014.

All end of year payroll and tax reports were submitted timely.

We have begun interviewing for the vacant Controller position and hope to have the position filled by mid-May.

Pathway Homes has successfully collaborated with Wells Fargo Bank and has secured new bank accounts for twenty three of the residents who are required to receive all of their social security benefits electronically wired into an individual bank account. Prior to this time, these twenty three residents were receiving paper checks and the resident would endorse the check over to Pathways for their monthly fee. Monitoring, collection and reporting of the individual resident account transactions and deposits will be consistent with the scope of responsibilities completed monthly with all other Pathway bank accounts.

In February 2014, Pathways secured a new 15 foot box truck to utilize for moving furniture for residents and to receive and deliver donated furnishings. This box truck replaces the 1996 cargo van that required extensive and expensive engine work that exceeded the value and was therefore donated to Volunteers of America.

Financial Statements, including Balance Sheet and Revenue and Expenditure Statements are included through March 31, 2014.

**Pathway Homes
Balance Sheet**
AS of 3/31/2014

	Pathway Operating Fund	McKinney	TOTAL - PATHWAY OPERATIONS	Pioneer & Sheldon	Capital Expenditures	Total
Assets						
Current Assets						
Cash and Cash Equivalents	1,882,754.24	244,810.51	2,127,564.75	1,664.23	99,679.73	2,228,908.71
Accounts Receivable	6,935.65	125.15	7,060.80	0.00	22,406.08	29,466.88
Program Fees Receivable	28,966.64	0.00	28,966.64	0.00	0.00	28,966.64
Prepaid Expenses	118,841.73	3,803.58	122,645.31	656.50	1,555.00	124,856.81
Security Deposits	48,054.50	0.00	48,054.50	0.00	0.00	48,054.50
Advances-Intercompany	74,601.62	138,548.34	213,149.96	0.00	682,586.65	895,736.61
Accrued Interest Receivable	0.00	0.00	0.00	0.00	0.00	0.00
Total Current Assets	2,160,154.38	387,287.58	2,547,441.96	2,320.73	806,227.46	3,355,990.15
Property and Equipment	8,602,084.91	1,206,863.54	9,808,948.45	324,387.91	0.00	10,133,336.36
Fixed Assets	(654,227.83)	(526,190.75)	(1,180,418.58)	(204,438.74)	0.00	(1,384,857.32)
Accumulated Depreciation	7,947,857.08	680,672.79	8,628,529.87	119,949.17	0.00	8,748,479.04
Total Property and Equipment	0.00	0.00	0.00	0.00	0.00	0.00
Other Assets						
Cash and Cash Equivalents	0.00	0.00	0.00	7,999.87	0.00	7,999.87
Investments	15,078.91	0.00	15,078.91	0.00	0.00	15,078.91
Reserve for Replacement	29,556.49	39,018.30	68,574.79	0.00	0.00	68,574.79
Intangible assets-software	64,727.42	0.00	64,727.42	0.00	0.00	64,727.42
Total Other Assets	109,362.82	39,018.30	148,381.12	7,999.87	0.00	156,380.99
Total Assets	10,217,374.28	1,106,978.67	11,324,352.95	130,269.77	806,227.46	12,260,850.18
Liability and Net Assets						
Liabilities						
Accounts Payable and Accrued Expenses	(47,766.99)	413.83	(47,353.16)	574.29	0.00	(46,778.87)
Deferred Revenue	1,025,383.52	0.00	1,025,383.52	93.00	0.00	1,025,476.52
Liability for Escrow Funds	34,700.99	0.00	34,700.99	0.00	0.00	34,700.99
Line of Credit	400,000.00	0.00	400,000.00	0.00	0.00	400,000.00
Due To (From) other Funds	792,371.87	(4,113.26)	788,258.61	2,102.18	28,919.12	819,279.91
Mortgage Payable	1,739,796.57	160,427.16	1,900,223.73	127,831.33	0.00	2,028,055.06
Lease Payable	3,150.00	0.00	3,150.00	0.00	0.00	3,150.00
Total Liabilities	3,947,635.96	156,727.73	4,104,363.69	130,600.80	28,919.12	4,263,883.61
Net Assets						
Beginning Net Assets	5,034,070.51	712,688.64	5,746,759.15	(8,267.48)	671,049.78	6,409,541.45
Change in Net Assets	1,235,667.81	237,562.30	1,473,230.11	7,936.45	106,258.56	1,587,425.12
Total Net Assets	6,269,738.32	950,250.94	7,219,989.26	(331.03)	777,308.34	7,996,966.57
Total Liability and Net Assets	10,217,374.28	1,106,978.67	11,324,352.95	130,269.77	806,227.46	12,260,850.18

**Pathway Homes
Statement of Revenues and Expenditures - PATHWAY HOMES FUND GROUP - EXPENSE AND REV**

From 7/1/2013 Through 3/31/2014

	Pathway Operating Fund	Mckinney	TOTAL - PATHWAY OPERATIONS	Pioneer & Sheldon	Capital Expenditures	Total
Operating Revenue						
Grant Revenue	1,379,466.76	0.00	1,379,466.76	0.00	0.00	1,379,466.76
Total Grant Revenue	1,379,466.76	0.00	1,379,466.76	0.00	0.00	1,379,466.76
Contributions	0.00	0.00	0.00	0.00	105,014.17	105,014.17
Total Contributions	0.00	0.00	0.00	0.00	105,014.17	105,014.17
Program Revenue						
Contract Funds - Fairfax	3,162,694.44	82,553.28	3,245,247.72	0.00	0.00	3,245,247.72
Admin Fee - SPC	66,266.54	0.00	66,266.54	0.00	0.00	66,266.54
HUD Housing Funds	0.00	564,456.00	564,456.00	0.00	0.00	564,456.00
Social Security Revenue - ACR	236,313.65	0.00	236,313.65	0.00	0.00	236,313.65
Auxiliary Grant Revenue - ACR	166,950.00	0.00	166,950.00	0.00	0.00	166,950.00
Client Fees	351,574.13	116,226.66	467,800.79	0.00	0.00	467,800.79
Rental Income	196,444.66	0.00	196,444.66	0.00	0.00	196,444.66
Medicaid Fees	452,725.00	0.00	452,725.00	0.00	0.00	452,725.00
Rental Income - Tenant Income(HUD Only)	0.00	0.00	0.00	16,264.00	0.00	16,264.00
Rental Income - HUD Supplement	65,786.00	0.00	65,786.00	17,162.00	0.00	82,948.00
Vacancy	0.00	0.00	0.00	(619.00)	0.00	(619.00)
Total Program Revenue	4,698,754.42	763,235.94	5,461,990.36	32,807.00	0.00	5,494,797.36
Investment Income	4.68	0.00	4.68	0.88	17.27	22.83
Total Investment Income	4.68	0.00	4.68	0.88	17.27	22.83
Other Income						
Total Other Income	13,045.78	0.00	13,045.78	0.00	188.00	13,233.78
Total Operating Revenue	6,091,271.64	763,235.94	6,854,507.58	32,807.88	105,219.44	6,992,534.90
Total Revenue	6,091,271.64	763,235.94	6,854,507.58	32,807.88	105,219.44	6,992,534.90
Expenditures						
Personnel Expenses	3,015,377.00	224,989.51	3,240,366.51	0.00	0.00	3,240,366.51
Total Personnel Expenses	3,015,377.00	224,989.51	3,240,366.51	0.00	0.00	3,240,366.51
Professional Fees	97,112.93	0.00	97,112.93	0.00	1,290.00	98,402.93
Total Professional Fees	97,112.93	0.00	97,112.93	0.00	1,290.00	98,402.93
Interest Expense						

Pathway Homes
Statement of Revenues and Expenditures - PATHWAY HOMES FUND GROUP - EXPENSE AND REV

From 7/1/2013 Through 3/31/2014

	Pathway Operating Fund	Mckinney	TOTAL - PATHWAY OPERATIONS	Pioneer & Sheldon	Capital Expenditures	Total
Total Interest Expense	71,648.28	9,168.98	80,817.26	8,134.84	0.00	88,952.10
Supplies	71,648.28	9,168.98	80,817.26	8,134.84	0.00	88,952.10
Total Supplies	63,452.92	269.58	63,722.50	0.00	14.99	63,737.49
Telephone	63,452.92	269.58	63,722.50	0.00	14.99	63,737.49
Total Telephone	35,730.54	9,029.43	44,759.97	3,871.69	0.00	48,631.66
Postage & Shipping	35,730.54	9,029.43	44,759.97	3,871.69	0.00	48,631.66
Total Postage & Shipping	2,874.91	0.00	2,874.91	0.00	0.00	2,874.91
Occupancy	2,874.91	0.00	2,874.91	0.00	0.00	2,874.91
Total Occupancy	1,592,889.88	356,709.79	1,949,599.67	4,790.58	0.00	1,954,390.25
Maintenance & Repairs	1,592,889.88	356,709.79	1,949,599.67	4,790.58	0.00	1,954,390.25
Total Maintenance & Repairs	50,632.40	6,641.45	57,273.85	3,081.65	0.00	60,355.50
Conferences, Conventions & Meetings	50,632.40	6,641.45	57,273.85	3,081.65	0.00	60,355.50
Total Conferences, Conventions & Meetings	13,000.79	304.56	13,305.35	0.00	9,498.41	22,803.76
Printing & Publications	13,000.79	304.56	13,305.35	0.00	9,498.41	22,803.76
Total Printing & Publications	11,419.61	0.00	11,419.61	0.00	0.00	11,419.61
Depreciation	11,419.61	0.00	11,419.61	0.00	0.00	11,419.61
Total Depreciation	63,304.75	17,538.64	80,843.39	3,965.95	0.00	84,809.34
Miscellaneous	63,304.75	17,538.64	80,843.39	3,965.95	0.00	84,809.34
Total Miscellaneous	241,022.33	23,516.85	264,539.18	5,632.43	43,951.15	314,122.76
Total Expenditures	241,022.33	23,516.85	264,539.18	5,632.43	43,951.15	314,122.76
	5,258,466.34	648,168.79	5,906,635.13	29,477.14	54,754.55	5,990,866.82
Net Revenue Over Expenditures	832,805.30	115,067.15	947,872.45	3,330.74	50,464.89	1,001,668.08

April 14, 2014 - Philanthropic Report

3rd Quarter FY2014 – January 1, 2014 – March 31, 2014

Committee Members: Maiko Ashby, Chair, Patrick Chaing, Emil Franks, Sue Zywokarte and Jennifer Judelsohn

- FY2014 YTD Contribution Total **(07/01/2013 -3/31/2014)** - \$119,660 –12% increase from this time last year.
- 3rd Quarter Campaign Updates:
 - *Un-Restricted Funding*: FY2014 YTD: \$24,798
 - *Technology Campaign*:
 - Campaign Total: \$280,744; Remaining Amount \$104,256 on \$385,000 goal.
 - FY2014 YTD: \$35,344
- Grant Update:
 - \$91,300 in pending grant requests: Breedon Foundation; Gannet Foundation; Cafritz Foundation and Boeing Employees Community Fund
- Upcoming Philanthropic Events:
 - May 15th and June 19th “Steps to Pathways” Information Sessions
 - “Summer of the Arts” Exhibit (July 7th – July 18th) and Artists Reception (July 12th) 6-8 p.m.
 - Lorton Workhouse Arts Center – Building 16 – 9601 Ox Road, Lorton, VA 22079
 - Help the Homeless Walk – Saturday, October 25th – Stevenson Place
 - “Steps to Pathways” Fundraising Breakfast – March 2015
- Calls to Action:
 - Invite guests to “Steps to Pathways Information” session – This step is a pre-cursor to a successful “Steps to Pathways” Fundraising Breakfast in March 2015
 - Board Sponsorship at Help the Homeless Walk – If contributing, due October 15, 2014
 - Share potential “Get” contacts with Director of Development. See attached form
 - Attributes of a good contact: 1) Board member has an influential relationship with individual; and 2) the individuals has financial capacity to support Pathway Homes at \$1,000+ range (or works for an organization that does).
 - Process: Share name, contact information, and preferred approach with Director of Development. Feel free to contact Director of Development to discuss contact strategy.
 - Thank you Jennifer Judelsohn for reaching out to Triple Canopy! Our first 2014 “Help the Homeless” Sponsor!!!!

April 14, 2014 – Board Development Report

3rd Quarter FY2014 – January 1, 2014 – March 31, 2014

Committee Members: Jennifer McKenzie, Committee Chair, Dan Gray, Jim Ross, Maiko Ashby

The committee met on January 29th and on March 31st to discuss and begin implementation of Board Development calendar year 2014 priorities and agreed the Board Development Committee will focus on the following baseline responsibilities:

- 1) Identify priorities for board composition
- 2) Meet with prospective board members and recommend candidates to the board
- 3) Conduct orientation sessions for new board members and organize training sessions for the entire board
- 4) Address and make recommendations concerning board structure

Board Composition

Through an evaluation of the current board skill sets, the board identified three recruitment priorities: Finance/CPA/commercial development, communications and major gift resources. Also, the Committee selected the top three attributes we are looking for in a board member: 1) Openness to making a financial contributions; 2) ability to attend board meetings, committee meetings and special events; and 3) be a good group decision maker.

Call to Action: The Board Development Committee requests that Board members with potential candidates with the priority skill sets and attributes discussed above, be shared with the Chairman Dan Gray or President/CEO, Sylisa Lambert-Woodard to start the evaluation process. The Committee would like to have strong candidates ready for nomination by the October Annual Meeting.

Board Structure

During the January Committee meeting, Jim Ross volunteered to examine Pathway Homes By-Laws, in particular, the committee responsibilities of the Executive, Governance, Nominating as well as Board Development Committees. As a result of this review, he made several recommendations to the Committee during the March meeting. The Committee will evaluate and develop plan of action for these recommendations at future Committee meetings and report out to the full Board.

The Committee discussed options for utilizing the value of board members as they roll off. As a result, the Board Development Committee put forth an Emeritus Trustee amendment to the By-Laws for Pathway Homes and Pathways Living. That amendment was approved by the full Board during the March special Board meeting.

For the sake of what?

Does this move us in the direction of our mission?

Is this the best use of resources?

Is this the direction we said we want to go?

Our Mission:

Pathway Homes embodies the spirit of recovery: embracing an attitude of hope, self-determination and partnering with each individual on their personal journey toward achieving self-fulfillment and realizing their dreams.

We fulfill our mission by making available to individuals with mental illness and co-occurring disabilities a variety of non-time-limited housing and services to enable them to realize their individual potential.

PATHWAYS LIVING, INC.

Mary Baldwin Dr. & Huntington Ave.

Four three-bedroom homes for
six men and six women

Board of Directors

Monday, April 14, 2014

7:00 P.M.

10201 Fairfax Blvd., Ste. 200

Fairfax, VA 22030-2209



- 8:45 Call to Order
- 8:50 Approval of Minutes of Meeting October 14, 2013*
Approval of Minutes of Special Meeting March 20, 2014*
- 8:55 CEO's Report – Dr. Sylisa Lambert-Woodard
- 9:00 Treasurer's Report - Brenda Brennan
- 9:05 Chairperson's Report and Comments
- 9:10 Committee Reports
- 9:15 Old Business
- 9:20 New Business
- 9:25 Announcements
- 9:30 Adjournment

* Materials Enclosed in Packet

PATHWAYS LIVING, INC.
(Mary Baldwin Drive & Huntington Avenue)
Four three-bedroom homes for six men and six women

Minutes of the Meeting of the
Board of Directors
October 14, 2013

The Annual meeting of the Board of Directors was held on October 14, 2013. The meeting was called to order by Chairman, Dan Gray at 9:14 p.m. The following individuals were present and participated throughout the meeting:

MEMBERS

Dan Gray, Chair
Jennifer McKenzie, Vice-Chair
Tom Rowe, Secretary & Treasurer
Dara Aldridge
Maiko Ashby
Patrick Chaing
Emil Franks
Jennifer Judelsohn
Angie Lathrop
Jim Ross
Sue Zywokarte

STAFF

Sylisa Lambert-Woodard, President & CEO
Brenda F. Brennan, V.P. for Finance
Lauren Leventhal, Technology and Quality
Assurance Manager
Anna Smith, Director of Development and
Major Gifts

MINUTES

After review by the Directors, Emil Franks made a motion to approve the minutes of the April 8, 2013 meeting. This was seconded by Sue Zywokarte and approved unanimously.

CEO REPORT – Sylisa Lambert-Woodard

Sylisa had previously distributed to the Board the Addendum to Board Agenda.

TREASURER'S REPORT - Brenda Brennan

Nothing new

CHAIRPERSON'S REPORT – Dan Gray

There was no report.

COMMITTEE REPORTS

A. **BOARD DEVELOPMENT** – Dan Gray

Dan read: The following is the Officer Slate as proposed by the Nominating Committee for the October 2013 – 2014 term:

Dan Gray – Chairperson
Jennifer McKenzie – Vice-Chair
Tom Rowe – Secretary/Treasurer

The Nominating Committee also recommends that the following Board Members be re-elected for the three-year term of October 2013 - 2016:

Dara Aldridge
Maiko Ashby
Emil Franks

And in accordance with the amendment to the by-laws passed at the April 2012 meeting, the Nominating Committee also recommends the extension of the January 2011 – April 2014 term until the next Annual Board meeting in October 2014 for:

Jennifer Judelsohn, LCSW

Sue moved to accept the Nominating Committee's recommendations as proposed. This was seconded by Jim and approved unanimously.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

ANNOUNCEMENTS

The Resident Holiday Party will be held on December 5th at the Church of the Epiphany in Herndon from 6-9 p.m. Anyone who would like to help should contact Anna Smith.

There being no further business Jim Ross made a motion to adjourn the meeting. This was seconded by Dara Aldridge.

The meeting was adjourned at 9:16 p.m.

Respectfully submitted,

PATHWAY LIVING, INC.

Minutes of the Special Meeting of the Board of Directors

March 20, 2014

A special meeting of the Board of Directors was held on March 20, 2014. Dan Gray called the meeting to order at 12:00 p.m. The following individuals were present and participated throughout the meeting:

MEMBERS

Dan Gray, Chair
Tom Rowe, Secretary/Treasurer
Emil Franks
Jim Ross
Susan Zywockarte

STAFF

Sylisa Lambert-Woodard, President & CEO
Brenda F. Brennan, Vice President for
Finance

In attendance via phone: Jennifer McKenzie, Vice Chair; Jennifer Judelsohn; Patrick Chaing; Maiko Ashby; and Angie Lathrop

The following individuals notified the office or other Board Members that they would not be present for this meeting: Dara Aldridge.

INTRODUCTION

Sylisa expressed appreciation for the Board response to the 10 day notice of this special meeting. She provided an overview of the purpose of the special meeting in response to proceeding with our refinance of our six HUD Section 202/8 properties. She explained that our attorneys had prepared a draft resolution for Board approval related to the transfer of two properties from Pathway Homes to Pathways Living and suggested amendments to the corporate documents before closing.

Board had been provided in advance revised; Articles of Incorporation, By-laws and a number of motions and resolutions to be discussed and approved by the Board with a minimum of 2/3 attendance. All of these documents prepared by attorneys, with Board approval, will be filed with the State Corporation Commission, and are in compliance with current best-practices.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that Wayne Gardella is hereby elected as a director of the Corporation, effective immediately."

Jennifer Judelsohn made a motion to approve, which was seconded by Emil Franks and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that the Amended and Restated Bylaws of the Corporation and the Amended and Restated Articles of Incorporation presented this day are hereby adopted."

Angie Lathrop made a motion to approve, which was seconded by Sue Zywokarte and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "Resolved: that the Board approves any changes required by HUD to Article V of the Amended and Restated Bylaws and Article VIII of the Amended and Restated Articles of Incorporation."

Patrick Chaing made a motion to approve, which was seconded by Jim Ross and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that the President and/or the Chief Executive Officer is authorized and directed to execute and file Articles of Restatement with the Virginia State Corporation Commission and to take any and all other actions deemed necessary or appropriate to effectuate the Amended and Restated Articles of Incorporation."

Maiko Ashby made a motion to approve, which was seconded by Jim Ross and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that the resignation of Wayne Gardella from the Board of Directors of the Corporation is accepted, effective immediately."

Jennifer McKenzie made a motion to approve, which was seconded by Emil Franks and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that all prior acts of the Board of Directors are hereby ratified and confirmed."

Emil Franks made a motion to approve, which was seconded by Sue Zywokarte and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that the transfer of real estate, together with all improvements thereon, located at 6215 Pioneer Drive, Springfield, Virginia, and 5626 Sheldon Drive, Alexandria, Virginia, by Deed of Gift and Assumption from Pathway Homes, Inc. shall be accepted and the Corporation shall assume the obligations under recorded deeds of trust affecting such real property."

Tom Rowe made a motion to approve, which was seconded by Emil Franks and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that Sylisa Lambert-Woodard, as President and Chief Executive Officer of the Corporation, is authorized to execute and bind the Corporation to the terms and conditions of the Deed of Gift and Assumption in addition to all other documents deemed necessary or appropriate to effectuate such transfer, and to incur all reasonable and necessary fees and expenses in connection therewith."

Jim Ross made a motion to approve, which was seconded by Tom Rowe and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that the Corporation is authorized to borrow from Berkadia Commercial Mortgage, LLC (the "Lender") \$652,400.00 secured by a first lien on all property of the Corporation (or so much thereof as may be required by the Lender) and insured by HUD under Section 207 pursuant to Section 223(f) of the National Housing Act, as amended."

Sue Zywockarte made a motion to approve, which was seconded by Emil Franks and approved unanimously.

MOTION

Dan Gray called for a motion to approve the following resolution: "RESOLVED: that Sylisa Lambert-Woodard, as President and Chief Executive Officer of the Corporation, is authorized to execute and bind the Corporation to the terms and conditions of the Note, Security Instrument and Regulatory Agreement in addition to all documents required by the Lender or HUD, to incur all reasonable and necessary fees and expenses in connection therewith, and to execute and deliver on behalf of the Corporation all other documents that she deems necessary or appropriate to secure and fund said loan."

Jim Ross made a motion to approve, which was seconded by Emil Franks and approved unanimously.

ADJOURNMENT

There being no further business, Emil Franks made a motion to adjourn the meeting. This was seconded by Jim Ross and unanimously approved by the Board.

The meeting was adjourned at 12:30 p.m.

For the sake of what?

Does this move us in the direction of our mission?

Is this the best use of resources?

Is this the direction we said we want to go?

Our Mission:

Pathway Homes embodies the spirit of recovery: embracing an attitude of hope, self-determination and partnering with each individual on their personal journey toward achieving self-fulfillment and realizing their dreams.

We fulfill our mission by making available to individuals with mental illness and co-occurring disabilities a variety of non-time-limited housing and services to enable them to realize their individual potential.

PATHWAY OPTIONS, INC.

Blake Lane

One three-bedroom townhouse for three men

Board of Directors

Monday, April 14, 2014

7:00 P.M.

10201 Fairfax Blvd., Ste. 200

Fairfax, VA 22030-2209



- 9:30 Call to Order
- 9:35 Approval of Minutes of Meeting October 14, 2013*
- 9:40 CEO's Report – Dr. Sylisa Lambert-Woodard
- 9:45 Treasurer's Report - Brenda Brennan
- 9:50 Chairperson's Report and Comments
- 9:55 Committee Reports
- 10:00 Old Business
- 10:05 New Business
 - 1. Amended and Restated Bylaws and Articles of Incorporation
- 10:10 Announcements
- 10:15 Adjournment

* Materials Enclosed in Packet

PATHWAYS OPTIONS, INC.

(Blake Lane)

One three-bedroom townhouse for three men

Minutes of the Meeting of the Board of Directors October 14, 2013

The semi-annual meeting of the Board of Directors was held on April 8, 2013. The meeting was called to order by Chairman, Dan Gray at 9:16 p.m. The following individuals were present and participated throughout the meeting:

MEMBERS

Dan Gray, Chair
Jennifer McKenzie, Vice-Chair
Tom Rowe, Secretary & Treasurer
Dara Aldridge
Maiko Ashby
Patrick Chaing
Emil Franks
Jennifer Judelsohn
Angie Lathrop
Jim Ross
Sue Zywokarte

STAFF

Sylisa Lambert-Woodard, President & CEO
Brenda F. Brennan, V.P. for Finance
Lauren Leventhal, Technology and Quality
Assurance Manager
Anna Smith, Director of Development and
Major Gifts

MINUTES

After review by the Directors, Jennifer Judelsohn made a motion to approve the minutes of the April 8, 2013 meeting. This was seconded by Tom Rowe and approved unanimously.

CEO REPORT – Sylisa Lambert-Woodard

Sylisa had previously distributed to the Board the Addendum to Board Agenda.

TREASURER'S REPORT - Brenda Brennan

Nothing new

CHAIRPERSON'S REPORT – Dan Gray

There was no report.

COMMITTEE REPORTS

A. BOARD DEVELOPMENT – Dan Gray

Dan read: The following is the Officer Slate as proposed by the Nominating Committee for the October 2013 – 2014 term:

Dan Gray – Chairperson
Jennifer McKenzie – Vice-Chair
Tom Rowe – Secretary/Treasurer

The Nominating Committee also recommends that the following Board Members be re-elected for the three-year term of October 2013 - 2016:

Dara Aldridge
Maiko Ashby
Emil Franks

And in accordance with the amendment to the by-laws passed at the April 2012 meeting, the Nominating Committee also recommends the extension of the January 2011 – April 2014 term until the next Annual Board meeting in October 2014 for:

Jennifer Judelsohn, LCSW

Jennifer McKenzie moved to accept the Nominating Committee's recommendations as proposed. This was seconded by Patrick Chaing and approved unanimously.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

ANNOUNCEMENTS

The Resident Holiday Party will be held on December 5th at the Church of the Epiphany in Herndon from 6-9 p.m. Anyone who would like to help should contact Anna Smith.

There being no further business Patrick Chaing made a motion to adjourn the meeting. This was seconded by Tom Rowe.

The meeting was adjourned at 9:18 p.m.

Respectfully submitted,

AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF

PATHWAY OPTIONS, INC.

ARTICLE I

NAME

The name of the corporation shall be Pathway Options, Inc. (hereinafter referred to as the "Corporation").

ARTICLE II

PURPOSES AND LIMITATIONS

Section 1. Purposes. The purposes for which the Corporation is organized are:

a. To provide persons with disabilities with housing facilities and services specially designed to meet their physical, social and psychological needs, and to promote their health, security, happiness and usefulness and longer living, the charges for such facilities and services to be predicated upon the provisions, maintenance and operation thereof on a nonprofit basis, where no adequate housing exists for such groups, pursuant to section 231 of The National Housing Act, as amended, to provide long-term supportive living arrangements for people of all ages who, for various reasons, need such help to function in our society and community;

b. To provide persons as described above with assistance in developing independent living skills by a competent, retained staff;

c. To accept, receive and manage all property, income and monies to be raised or contributed to the Corporation in furtherance of the foregoing purposes from other persons and entities with similar interests, and to that end to take and hold, by bequest, devise, gift, purchase or lease, for such purposes, or any of them, any property, real, personal or mixed, to sell, convey and

dispose of any such property, and to invest and reinvest the principal thereof and to invest and expend the income therefrom for the purposes specified herein.

d. To do and perform all acts reasonably necessary to accomplish the purpose of the Corporation, including the execution of a regulatory agreement with the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, and of such other instruments and undertakings as may be necessary to enable the Corporation to secure the benefits of financing under Section 207 pursuant to Section 223(f) of the National Housing Act.

e. To conduct and engage in other activities not prohibited by law, not required to be specifically stated in these Articles of Incorporation and not inconsistent with the provisions of Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal income tax code (the "Code").

Section 2. Charitable Purposes. The Corporation is organized exclusively for charitable, religious, educational and scientific purposes, including, for such purposes, the making of distributions to organizations described in Section 501(c)(3) of the Code.

Section 3. No Private Inurement. No part of the net earnings of the Corporation shall inure to the benefit or be distributed to its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein.

Section 4. Restriction on Activities. Notwithstanding any other provisions of these Articles of Incorporation, the Corporation shall not engage in, carry on or conduct any activities not permitted to be engaged in, carried on, or conducted by a corporation exempt from federal income tax under Section 501(c)(3) of the Code or by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

Section 5. Restrictions on Lobbying. No substantial part of the activities of the Corporation shall involve the carrying on of propaganda, or otherwise attempting to influence

legislation, and the Corporation shall not participate in, or intervene in, including the publishing or distribution of statements, any political campaign on behalf of any candidate for public office.

Section 6. Income Tax Provisions. The Corporation shall distribute its income for each taxable year at such time and in such manner as not to subject it to tax under Section 4942 of the Code, and the Corporation shall not (a) engage in any act of dealing as defined in Section 4941 (d) of the Code; (b) retain any excess business holdings as defined in Section 4943 (c) of the Code; (c) make any investments in such manner as to subject the Corporation to tax under Section 4944 of the Code; or (d) make any taxable expenditures as defined in Section 4945 (d) of the Code.

Section 7. “Charity” Defined. Where used herein, the term “charity” or “charities” shall refer only to those entities described in Section 501(c)(3) of the Code.

ARTICLE III

MEMBERS

The Corporation shall have no members.

ARTICLE IV

DIRECTORS

Section 1. Number and Qualifications. The minimum number of directors of the Corporation shall be nine (9), and the maximum number and qualifications shall be set forth in the by-laws of the Corporation.

Section 2. Term and Election. Directors of the Corporation shall be elected for three year terms, with such limitations on the number of successive terms as may be provided in the by-laws. Vacancies in or additions to the Board of Directors shall be filled from time to time by the remaining Directors. The terms of the directors shall be staggered, so that approximately one-third of the directors' terms will expire in each year.

Section 3. Powers. The Board of Directors shall manage and govern the affairs of the Corporation and shall have all rights and powers of directors under applicable laws of the Commonwealth of Virginia including the power to adopt and amend By-Laws of the Corporation and these Articles of Incorporation.

Section 4. Directors. The directors of the Corporation and their respective addresses as of this Amended and Restated Articles of Incorporation shall be:

Daniel L. Gray, Esq., Chairperson
10201 Fairfax Blvd., Suite 520
Fairfax, VA 22030

Jennifer McKenzie, Vice-Chairperson
3722 Prince William Drive
Fairfax, VA 22031

Thomas Rowe, Secretary / Treasurer
2070 Chain Bridge Road, Suite 500
Vienna, VA 22182

Dara Aldridge
10135 Spring Lake Terrace
Fairfax, VA 22030-0254

Emil Franks
8715 Duvall Street
Fairfax, VA 22031

James Ross
9811 Doulton Court
Fairfax, VA 22032

Maiko C. Ashby
8607 Janet Lane
Vienna, VA 22180

Jennifer Judelsohn, LCSW
P.O. Box 2716
Merrifield, VA 22116

Susan Zywokarte
11569 North Shore Drive, Apt. 11
Reston, VA 22090

Patrick Chaing
888 N. Quincy Street, Unit 1405
Arlington, VA 22203

Angie Lathrop
2798 N. Quebec Street
Arlington, VA 22207

ARTICLE V

REGISTERED OFFICE AND REGISTERED AGENT

The post office address of the registered office is 10201 Fairfax Boulevard, Suite 200, Fairfax, Virginia 22030. The name of the County in which the registered office is located is the County of Fairfax, Virginia. The name of the registered agent is Sylisa Lambert-Woodard, whose business office is the same as the registered office of the Corporation and who is an officer of the Corporation.

ARTICLE VI

DISSOLUTION

Upon the dissolution of this Corporation its assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c) (3) of the Internal Revenue Code, or corresponding section of any future Federal tax code, or shall be distributed to the Federal government, or to a state or local government, for a public purpose.

ARTICLE VII

LIMITATION OF LIABILITY AND INDEMNIFICATION

Section 1. Limitation of Liability of Trustees, Officers, Employees, Agents, Committee Members and Volunteers. In any proceeding brought by or in the right of the Corporation, the liability of and damages assessed against a director, trustee, officer, employee, agent, committee member, or volunteer of the Corporation arising out of or resulting from a single transaction, occurrence or course of conduct shall be limited and shall not exceed the lesser of (i) the amount of cash compensation, if any, paid to such person by the Corporation during the preceding twelve (12) months, or (ii) the sum of One Hundred Dollars (\$100.00). In addition, so long as the Corporation is exempt from income taxes under §501(c) of the Internal Revenue Code, as amended, in any proceeding against a director, trustee, officer, employee, agent, committee member, or volunteer of the Corporation, the damages assessed arising out of any single transaction, occurrence or course of conduct shall not exceed the compensation (even if such compensation is zero) received by such person from the Corporation during the twelve months immediately preceding the act or omission for which liability was imposed. However, the liability of such a person shall not be limited as provided herein if such person engaged in willful misconduct or a knowing violation of the criminal law.

Section 2. Indemnification of Trustees, Officers, Employees, Agents, Committee Members, and Volunteers. The Corporation shall indemnify each director, trustee, officer, employee, agent, committee member, and volunteer against liabilities, including judgments, awards, fines, amounts paid in settlement and reasonable attorney's fees, costs and other expenses and liabilities, incurred by him or her in connection with any actual or threatened action, suit or

proceeding, whether civil, criminal, administrative, arbitrative or investigative (any of which is hereinafter referred to as a “proceeding”) to which he or she may be made a party by reason of being or having been a director, trustee, officer, employee, agent, committee member, or volunteer of the Corporation if: (i) he or she conducted himself or herself in good faith; (ii) he or she believed, in his or her official capacity with the Corporation, that his or her conduct was in the best interests of the Corporation or was not opposed to the best interests of the Corporation; and (iii) he or she had no reasonable cause to believe, in the case of any criminal proceeding, that his or her conduct was unlawful.

Section 3. Determination. Except as specifically otherwise provided herein, the termination of a proceeding by judgment, order, settlement or conviction is not, of itself, determinative that an individual did not meet the standard of conduct set forth above or that the conduct of such individual constituted a knowing violation of a criminal law. Unless ordered by a court of competent jurisdiction, any indemnification hereunder shall be made by the Corporation upon a determination that indemnification of the individual is permissible in the circumstances because he or she met the standard of conduct set forth herein and the conduct of the individual did not constitute a knowing violation of criminal law.

Section 4. Method of Determination. Such determination shall be made: (a) by the Board of Trustees by a majority vote of a quorum consisting of Trustees who are not parties to such proceeding; or (b) if such quorum cannot be obtained, by majority vote of a committee, consisting of two or more Trustees not at the time parties to the proceeding, designated by the Board (in which designation Trustees who are parties to the proceeding may participate); or (c) by special legal counsel selected by the Board members who are not parties to the proceeding, or its committee

designated in the manner heretofore provided for, or, if such a quorum of the Board cannot be obtained and such a committee cannot be designated, special legal counsel selected by a majority of the Board members (in which selection Trustees who are parties to the proceeding may participate). The Board, in making any such determination or referring any such determination to special legal counsel, must act with reasonable promptness when indemnification is sought by any director, trustee, officer, employee, agent, committee member, or volunteer.

Section 5. Advance for Expenses. The Corporation shall advance to or on behalf of a director, trustee, officer, employee, agent, committee member, or volunteer, any expenses incurred in defending any proceeding in advance of the final disposition of such proceeding, if authorized in the manner set forth in Section 3 of this Article, upon receipt of both of the following: (a) a written statement that such person in good faith believes that his or her conduct permits indemnification hereunder, and (b) a written agreement that in the event it is ultimately determined that such person is not entitled to indemnification under this Article, he or she will repay any amount advanced by the Corporation.

Section 6. Provisions not Exclusive. As authorized by the Virginia Non-stock Corporation Act, the provisions of this bylaw are in addition to and not in limitation of the specific powers of a non-stock corporation to indemnify directors, trustees, officers, employees, agents, committee members, and volunteers set forth therein. If any provision of this bylaw shall be adjudicated invalid or unenforceable by a court of competent jurisdiction, such adjudication shall not be deemed to invalidate or otherwise affect any other provision hereof or any power of indemnity which the Corporation may have under the Virginia Non-stock Corporation Act or other laws of the Commonwealth of Virginia.

Section 7. References Inclusive. Every reference in this Article to a director, trustee, officer, employee, agent, committee member, or volunteer of the Corporation shall include every director, trustee, officer, employee, agent, committee member, or volunteer or former director, trustee, officer, employee, agent, committee member, or volunteer of (i) the Corporation, (ii) any predecessor corporation, (iii) any corporation which shall have been merged into or consolidated with the Corporation, and/or (iv) any “sister” corporation formed for the same or similar purposes as the Corporation and governed by the same members of the Board of Directors of the Corporation (whether all or some), including but not limited to Pathways Living, Inc., Pathway Options, Inc., Pathway Visions, Inc., and Pathway Recovery, Inc.; and every person who may have served at the request of the Corporation as a director, trustee, officer, employee, agent, committee member, or volunteer or in a similar capacity of another corporation, partnership, joint venture, trust or other enterprise and, in all such cases, the heirs, executors, and administrators of such person.

Section 8. Special Provisions. Expenses of an individual in pursuing court-ordered indemnification or advancement of expenses under this provision shall also be treated as an indemnified expense, if such individual prevails. An individual may seek *de novo* judicial review of any denial of indemnification or advancement of expenses by the Corporation or by a court. There shall be no presumption of correctness of the result arising from the following of proper procedures by the Board, a committee, or special counsel. Special counsel shall be counsel which does not represent, and has not represented for at least 10 years, either the Corporation, any of its directors or officers, or the individual seeking indemnification or advancement of expenses, and there shall be a written engagement agreement in which special counsel acknowledges that the interests of the Corporation and individual seeking indemnification or advancement of expenses shall be treated as

equal, irrespective of the source of payment of the fees of special counsel.

Adopted by the unanimous consent of the Board this ____ day of April, 2014.

Thomas Rowe, Secretary

PATHWAY OPTIONS, INC.
BYLAWS

[Amended and Restated by the Board on April 14, 2014]

ARTICLE I
PURPOSES AND LIMITATIONS

Section 1. Purposes. The purposes for which the Corporation is organized are:

a. To provide persons with disabilities with housing facilities and services specially designed to meet their physical, social and psychological needs, and to promote their health, security, happiness and usefulness and longer living, the charges for such facilities and services to be predicated upon the provisions, maintenance and operation thereof on a nonprofit basis, where no adequate housing exists for such groups, pursuant to section 231 of The National Housing Act, as amended, to provide long-term supportive living arrangements for people of all ages who, for various reasons, need such help to function in our society and community;

b. To provide persons as described above with assistance in developing independent living skills by a competent, retained staff;

c. To accept, receive and manage all property, income and monies to be raised or contributed to the Corporation in furtherance of the foregoing purposes from other persons and entities with similar interests, and to that end to take and hold, by bequest, devise, gift, purchase or lease, for such purposes, or any of them, any property, real, personal or mixed, to sell, convey and dispose of any such property, and to invest and reinvest the principal thereof and to invest and expend the income therefrom for the purposes specified herein.

d. To do and perform all acts reasonably necessary to accomplish the purpose of the Corporation, including the execution of a regulatory agreement with the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, and of such other instruments and undertakings as may be necessary to enable the Corporation to secure the benefits of financing under Section 207 pursuant to Section 223(f) of the National Housing Act.

e. To conduct and engage in other activities not prohibited by law, not required to be specifically stated in these Articles of Incorporation and not inconsistent with the provisions of Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal income tax code (the "Code").

Section 2. Charitable Purposes. The Corporation is organized exclusively for charitable, religious, educational and scientific purposes, including, for such purposes, the making of distributions to organizations described in Section 501(c)(3) of the Code.

Section 3. No Private Inurement. No part of the net earnings of the Corporation shall inure to the benefit or be distributed to its directors, officers, or other private persons, except that the

Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein.

Section 4. Restriction on Activities. Notwithstanding any other provisions of these Articles of Incorporation, the Corporation shall not engage in, carry on or conduct any activities not permitted to be engaged in, carried on, or conducted by a corporation exempt from federal income tax under Section 501(c)(3) of the Code or by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

Section 5. Restrictions on Lobbying. No substantial part of the activities of the Corporation shall involve the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in, including the publishing or distribution of statements, any political campaign on behalf of any candidate for public office.

Section 6. Income Tax Provisions. The Corporation shall distribute its income for each taxable year at such time and in such manner as not to subject it to tax under Section 4942 of the Code, and the Corporation shall not (a) engage in any act of dealing as defined in Section 4941 (d) of the Code; (b) retain any excess business holdings as defined in Section 4943 (c) of the Code; (c) make any investments in such manner as to subject the Corporation to tax under Section 4944 of the Code; or (d) make any taxable expenditures as defined in Section 4945 (d) of the Code.

Section 7. “Charity” Defined. Where used herein, the term “charity” or “charities” shall refer only to those entities described in Section 501(c)(3) of the Code.

ARTICLE II **MEMBERSHIP**

The Corporation shall have no members.

ARTICLE III **BOARD OF DIRECTORS**

Section 1. Governance. The affairs of the Corporation shall be conducted solely under the management and control of its Board of Directors.

Section 2. Number and Qualifications. There shall be at all times a minimum of nine (9) and a maximum of thirteen (13) directors, which numbers may be changed from time to time by amendment of these bylaws. A director shall be at least 21 years old and shall, in the opinion of the Board of Directors, have some substantial connection to or interest in the purposes of the Corporation.

Section 3. Terms. Terms of directors shall be three years and directors shall be elected to fill vacancies at the annual meeting. All directors shall be eligible to be elected to serve any number of consecutive terms.

Section 4. Meetings. The Board shall hold its annual meeting on the first Monday in October of each year or, if such date is on a weekend or legal holiday, on the next business day, and shall hold such other meetings as it may schedule. The Board and any committee or subcommittee thereof shall hold its meetings at such times and places as it may from time to time prescribe or, if and when not fixed by the Board, committee or subcommittee thereof, then as may be prescribed by the Chairperson of the Board of Directors or the committee chair or subcommittee chair. Special meetings of the Board may be called at any time by the Chairperson of the Board of Directors or at the request of any three Directors, upon no fewer than three (3) days' notice. Meetings of any committee or subcommittee may be called at any time by the respective chair of that committee or subcommittee or at the request of any three members of that committee or subcommittee, upon no fewer than three (3) days' notice.

Section 5. Notice. Written notice stating the place, the date, and the time of any meeting shall be delivered either personally, by mail, or by electronic mail, to each board member not less than three (3) nor more than sixty (60) days prior to such meeting. In case of special meetings, the general nature of the business to be transacted shall be specified. Any member may waive notice of any meeting, and attendance at a meeting in person or by proxy and/or voting by any approved method shall be deemed waiver of notice.

Section 6. Participation in Meetings. Directors may participate in regular or special meetings by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means shall be deemed to be present in person at the meeting.

Section 7. Action without Meeting of the Board of Directors. Action required or permitted by the Virginia Code to be taken by the board of directors may be taken without a meeting if each director signs a consent describing the action to be taken and delivers it to the Corporation. Action taken under this section is effective when the last director signs the consent, unless the consent specifies a different effective date, in which event the action taken is effective as of the date specified therein provided the consent states the date of execution by each director. A director's consent may be withdrawn by a revocation signed by the director and delivered to the Corporation prior to delivery to the Corporation of unrevoked written consents signed by all the directors. For purposes of this section, a written consent and the signing thereof may be accomplished by one or more electronic transmissions. A consent signed under this section has the effect of action taken at a meeting of the board of directors and may be described as such in any document.

Section 8. Minutes. Minutes of the meetings of the Board and of any committee or subcommittee thereof shall be recorded and shall be available for examination and copying by all Board or committee members (or his or her authorized agent) so long as the request is for a proper purpose related to his or her membership on the Board or committee of the Corporation.

Section 9. Presiding over Meetings. The Chairperson of the Board of Directors shall preside over all meetings of the Board; in the absence of the Chairperson of the Board of Directors, the Vice-Chairperson of the Board of Directors shall preside. In the absence of both the Chairperson

of the Board of Directors and Vice-Chairperson of the Board of Directors, the Board shall designate a Director to preside.

Section 10. Quorum. A quorum at any meeting of the Directors shall consist of one-third of the entire membership of the Board present either in person or participating by other means as provided above. A majority of such quorum shall decide any question that may come before the meeting. If there is less than a quorum, those present may adjourn the meeting to another time and/or date for which no additional notice need be given.

Section 11. Rules. No form or order of business need be followed in any meeting of the Directors. At the option of the Chairperson of the Board of Directors or upon the majority vote of those present, the most recently revised edition of *Roberts Rules of Order* shall be followed.

Section 12. Vacancies. Any vacancy occurring in the Board of Directors shall be filled by a majority of the members of the Board of Directors. The member so appointed shall fill the unexpired term of his predecessor in office until that seat stands for election at an annual meeting of directors.

Section 13. Powers. The Board shall have the power to make or authorize all purchases necessary or desirable for the operation of the Corporation, to employ or authorize the employment of all employees of the Corporation and to fix their compensation, and to do or cause to be done all other things necessary for the operation and maintenance of the Corporation and to carry out its purposes. The Board of Directors shall have the power to borrow funds, as necessary, for the operation and maintenance of the Corporation.

Section 14. Financial Statements. The Board of Directors shall review annually and approve or adopt, as appropriate, financial statements including, but not limited to:

- a. a Statement of Profit and Loss (or Statement of Activities), setting forth receipts and expenditures of the previous year;
- b. a Balance Sheet (or Statement of Financial Position) as of 12/31 of the previous year; and
- c. a budget for the current year.

Section 15. Committees. The Board of Directors shall have supervision over all committees and power to alter or amend any rules or regulations prescribed by any committee.

Section 16. Bonding. The Board of Directors may secure the fidelity of the treasurer and other officers, directors, or employees by bond or otherwise and in such amount as shall be deemed proper.

Section 17. Annual Review. Unless a different standard (such as an audit) is required by law, the Board of Directors shall require a review to be made of the financial statements of

the Corporation for each calendar year. Such review may be made by an independent Committee appointed by the Board of Directors or by an independent accountant engaged for that purpose.

Section 18. Insurance. The Board of Directors shall secure, for the protection of the Corporation:

- a. public liability and property damage insurance;
- b. liability insurance for Officers and Directors to cover their performance of their duties on behalf of the Corporation, if deemed appropriate by the Board; and
- c. other forms of insurance in such amounts as may be deemed appropriate by the Board to cover the operations of the Corporation.

Section 19. Emeritus Status. The Board may from time to time designate retired or retiring or resigned or resigning Directors as Emeritus Directors for a defined or undefined period. Directors so designated with this honorific shall serve on the board in an advisory, non-voting capacity, and may attend Board meetings by specific invitation. Emeritus status may be conferred upon Directors for singular contributions to the Board including, but not limited to, past participation, financial contribution, or continuing strong interest in the Corporation. Emeritus Directors may be appointed at any meeting of the Board of Directors duly called and at which a quorum is present, by a two-thirds majority of the votes cast at such meeting. Emeritus Directors may be removed at any meeting of the Board of Directors duly called and at which a quorum is present, by a majority of the votes cast at such meeting

Section 20. Compensation and Reimbursement. No person serving as a director or committee member shall be entitled to be compensated for such service but if authorized by the Board, they may be reimbursed for reasonable expenses incurred in attending meetings.

ARTICLE IV **OFFICERS**

Section 1. Officers. The officers of the Corporation shall consist of a Chairperson of the Board of Directors, Vice-Chairperson of the Board of Directors, Chief Executive Officer, President, Chief Financial Officer, Secretary, Treasurer, all elected by the board, and such other officers as the board of directors may appoint, including one or more vice-presidents, assistant treasurers and/or secretaries, who shall exercise such powers and perform such duties as shall be determined from time to time by the board. Any number of offices may be held by the same person, unless the Articles of Incorporation or these Bylaws otherwise provide; provided, however, that in no event shall the President and the Secretary be the same person. The Chairperson of the Board of Directors, the Vice-Chairperson of the Board of Directors, the Secretary and the Treasurer shall be members of the Board of Directors. The term of office shall be one year running from one annual meeting of the board to the next (or until a successor officer has been chosen and has assumed the duties of the office). Officers may be removed by the board without notice or reason. A vacancy may be filled by appointment by the Chairperson of the

board until the next board meeting. Election or appointment as an officer shall not itself create any contractual rights.

Section 2. Chairperson of the Board of Directors. The Chairperson of the Board of Directors of the Corporation shall preside at all meetings of the board of directors, shall be the Chairperson of the Executive Committee, shall be a member of all standing committees and shall perform such other duties and have such other powers as may be vested in the Chairperson of the Board of Directors. In the absence of the Chairperson, the Vice-Chairperson shall preside at meetings.

Section 3. Duties of the Vice-Chairperson of the Board of Directors. In the absence of the Chairperson of the Board of Directors or in the event of the Chairperson's inability or refusal to act, the Vice-Chairperson shall perform the duties of the Chairperson, and when so acting shall have all the powers of, and be subject to all restrictions upon, the Chairperson. In the Chairperson's absence, the Vice-Chairperson shall preside at meetings of the board of directors and shall perform such other duties and shall have such powers as may be vested in the Vice-Chairperson of the board of directors. The Vice-Chairperson shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

Section 4. Duties of the Chief Executive Officer. The Chief Executive Officer ("CEO") of the Corporation, together with the President (if applicable), shall have general and active management of the business of the Corporation and shall insure that all orders and resolutions of the board of directors are carried into effect. The CEO shall perform such other duties and have such other powers as may be vested in the CEO by the board of directors. The CEO (or the President) shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the Corporation.

Section 5. Duties of the Chief Financial Officer. The Chief Financial Officer ("CFO") of the Corporation shall have general and active oversight of all financial aspects of the Corporation including signing all checks, presenting financial reports to the board of directors and assisting the Treasurer in preparing budgets.

Section 6. Duties of the President. The President, together with the CEO, shall have general and active management of the business of the Corporation and shall insure that all orders and resolutions of the board of directors are carried into effect. The President shall perform such other duties and have such other powers as may be vested in the President by the board of directors. The President (or the CEO) shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the Corporation.

Section 7. Duties of the Secretary. The Secretary shall attend all meetings of the board of directors, and shall record all the proceedings of the meetings of the board of directors in a book to be kept for that purpose, and shall perform like duties for standing committees,

when required. The Secretary shall give, or cause to be given, notice of all special meetings of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or by the Chairperson of the Board of Directors, under whose supervision the Secretary shall be. The Secretary shall have custody of the corporate seal of the Corporation, and the Secretary, or an assistant secretary, shall have authority to affix the same to any instrument requiring it, and when so affixed it may be attested by the signature of the Secretary or by the signature of such assistant secretary. The board of directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by such officers signature. The Secretary or an assistant secretary may also attest all instruments signed by the Chairperson of the Board, the President, or any vice-president.

Section 8. Duties of the Assistant Secretary. The Assistant Secretary, or if there be more than one, the assistant secretaries, in the order determined by the board of directors (or if there shall have been no such determination, then in the order of their appointment), shall, in the absence of the Secretary or in the event of the Secretary's inability or refusal to act, perform the duties and exercise the powers of the Secretary, and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

Section 9. Duties of the Treasurer. The Treasurer shall have general responsibility for oversight of the Corporation's funds and accounts, subject to the direction of the board of directors. He or she shall cause proper books of account to be kept, which at all reasonable times shall be open to examination by any member of the board, and reports therefrom shall be rendered at such times as the Chairperson of the Board of Directors shall order. He or she shall not be a required signatory on any payroll accounts, nor be in any way responsible for determining that proper tax withholdings are withheld and paid to the federal or state government. In the discretion of the Treasurer and Chairperson, the Treasurer may be a permitted signatory on non-payroll accounts. In all instances where the signature of the Treasurer is to be signed on a check or other document, it shall be done so manually and not by facsimile or electronic means.

Section 10. Duties of the Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the assistant treasurers in the order determined by the board of directors (or if there shall have been no such determinations, then in the order of their election), shall, in the absence of the Treasurer or in the event of the Treasurer's inability or refusal to act, perform the duties and exercise the powers of the Treasurer, and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

Section 11. Leadership Team. In the absence of the Chief Executive Officer and President (if applicable), or in the event of the CEO's and President's inability or refusal to act, the Executive Staff designated as the Corporation's Leadership Team by the CEO, with approval by the board, shall perform the duties of the CEO and President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the CEO and President. The Leadership Team, as designated, shall have such other powers and perform such other duties as the CEO may from time to time prescribe in writing, approved by the board.

Section 12. Compensation and Reimbursement. Any person serving as an officer shall be entitled to be compensated for such service if the compensation amount is authorized by the board, and is entitled to be reimbursed for expenses incurred on behalf of the Corporation if authorized by the board, in amounts deemed reasonable by the Chief Executive Officer.

ARTICLE V
AMENDMENTS

These Bylaws may be amended, altered, or repealed at any annual or special meeting of the Board by majority vote.

Adopted by the Board this 14th day of April, 2014.

Thomas Rowe, Secretary

For the sake of what?

Does this move us in the direction of our mission?

Is this the best use of resources?

Is this the direction we said we want to go?

Our Mission:

Pathway Homes embodies the spirit of recovery: embracing an attitude of hope, self-determination and partnering with each individual on their personal journey toward achieving self-fulfillment and realizing their dreams.

We fulfill our mission by making available to individuals with mental illness and co-occurring disabilities a variety of non-time-limited housing and services to enable them to realize their individual potential.

PATHWAY VISIONS, INC.

**Arlington Blvd, Colts Neck,
Locust and Mosby Woods**

Four two-bedroom condominiums
for four men and four women

Board of Directors

Monday, April 14, 2014

7:00 P.M.

10201 Fairfax Blvd., Ste. 200

Fairfax, VA 22030-2209



10:15 Call to Order

10:20 Approval of Minutes of Meeting October 14, 2013*

10:25 CEO's Report – Dr. Sylisa Lambert-Woodard

10:30 Treasurer's Report - Brenda Brennan

10:35 Chairperson's Report and Comments

10:40 Committee Reports

10:45 Old Business

10:50 New Business

1. Amended and Restated Bylaws and Articles of Incorporation

10:55 Announcements

11:00 Adjournment

* Materials Enclosed in Packet

PATHWAYS VISIONS, INC.

(Arlington Blvd., Colts Neck, Locust & Mosby Woods)

Four two-bedroom condominiums for four men and four women

Minutes of the Meeting of the Board of Directors October 14, 2013

The semi-annual meeting of the Board of Directors was held on April 8, 2013. The meeting was called to order by Chairman, Dan Gray at 9:19 p.m. The following individuals were present and participated throughout the meeting:

MEMBERS

Dan Gray, Chair
Jennifer McKenzie, Vice-Chair
Tom Rowe, Secretary & Treasurer
Dara Aldridge
Maiko Ashby
Patrick Chaing
Emil Franks
Jennifer Judelsohn
Angie Lathrop
Jim Ross
Sue Zywokarte

STAFF

Sylisa Lambert-Woodard, President & CEO
Brenda F. Brennan, V.P. for Finance
Lauren Leventhal, Technology and Quality
Assurance Manager
Anna Smith, Director of Development and
Major Gifts

MINUTES

After review by the Directors, Tom Rowe made a motion to approve the minutes of the April 8, 2013 meeting. This was seconded by Sue Zywokarte and approved unanimously.

CEO REPORT – Sylisa Lambert-Woodard

Sylisa had previously distributed to the Board the Addendum to Board Agenda.

TREASURER'S REPORT - Brenda Brennan

There was no report.

CHAIRPERSON'S REPORT – Dan Gray

There was no report.

COMMITTEE REPORTS

A. **BOARD DEVELOPMENT** – Dan Gray

Dan read: The following is the Officer Slate as proposed by the Nominating Committee for the October 2013 – 2014 term:

Dan Gray – Chairperson
Jennifer McKenzie – Vice-Chair
Tom Rowe – Secretary/Treasurer

The Nominating Committee also recommends that the following Board Members be re-elected for the three-year term of October 2013 - 2016:

Dara Aldridge
Maiko Ashby
Emil Franks

And in accordance with the amendment to the by-laws passed at the April 2012 meeting, the Nominating Committee also recommends the extension of the January 2011 – April 2014 term until the next Annual Board meeting in October 2014 for:

Jennifer Judelsohn, LCSW

Jennifer McKenzie moved to accept the Nominating Committee's recommendations as proposed. This was seconded by Dara Aldridge and approved unanimously.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

ANNOUNCEMENTS

The Resident Holiday Party will be held on December 5th at the Church of the Epiphany in Herndon from 6-9 p.m. Anyone who would like to help should contact Anna Smith.

There being no further business Tom Rowe made a motion to adjourn the meeting. This was seconded by Patrick Chaing.

The meeting was adjourned at 9:20 p.m.

Respectfully submitted,

AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF

PATHWAY VISIONS, INC.

ARTICLE I

NAME

The name of the corporation shall be Pathway Visions, Inc. (hereinafter referred to as the "Corporation").

ARTICLE II

PURPOSES AND LIMITATIONS

Section 1. Purposes. The purposes for which the Corporation is organized are:

a. To provide persons with disabilities with housing facilities and services specially designed to meet their physical, social and psychological needs, and to promote their health, security, happiness and usefulness and longer living, the charges for such facilities and services to be predicated upon the provisions, maintenance and operation thereof on a nonprofit basis, where no adequate housing exists for such groups, pursuant to section 231 of The National Housing Act, as amended, to provide long-term supportive living arrangements for people of all ages who, for various reasons, need such help to function in our society and community;

b. To provide persons as described above with assistance in developing independent living skills by a competent, retained staff;

c. To accept, receive and manage all property, income and monies to be raised or contributed to the Corporation in furtherance of the foregoing purposes from other persons and entities with similar interests, and to that end to take and hold, by bequest, devise, gift, purchase or lease, for such purposes, or any of them, any property, real, personal or mixed, to sell, convey and

dispose of any such property, and to invest and reinvest the principal thereof and to invest and expend the income therefrom for the purposes specified herein.

d. To do and perform all acts reasonably necessary to accomplish the purpose of the Corporation, including the execution of a regulatory agreement with the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, and of such other instruments and undertakings as may be necessary to enable the Corporation to secure the benefits of financing under Section 207 pursuant to Section 223(f) of the National Housing Act.

e. To conduct and engage in other activities not prohibited by law, not required to be specifically stated in these Articles of Incorporation and not inconsistent with the provisions of Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal income tax code (the "Code").

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Section 3. No Private Inurement. No part of the net earnings of the Corporation shall inure to the benefit or be distributed to its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein.

Section 4. Restriction on Activities. Notwithstanding any other provisions of these Articles of Incorporation, the Corporation shall not engage in, carry on or conduct any activities not permitted to be engaged in, carried on, or conducted by a corporation exempt from federal income tax under Section 501(c)(3) of the Code or by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

Section 5. Restrictions on Lobbying. No substantial part of the activities of the Corporation shall involve the carrying on of propaganda, or otherwise attempting to influence

legislation, and the Corporation shall not participate in, or intervene in, including the publishing or distribution of statements, any political campaign on behalf of any candidate for public office.

Section 6. Income Tax Provisions. The Corporation shall distribute its income for each taxable year at such time and in such manner as not to subject it to tax under Section 4942 of the Code, and the Corporation shall not (a) engage in any act of dealing as defined in Section 4941 (d) of the Code; (b) retain any excess business holdings as defined in Section 4943 (c) of the Code; (c) make any investments in such manner as to subject the Corporation to tax under Section 4944 of the Code; or (d) make any taxable expenditures as defined in Section 4945 (d) of the Code.

Section 7. “Charity” Defined. Where used herein, the term “charity” or “charities” shall refer only to those entities described in Section 501(c)(3) of the Code.

ARTICLE III

MEMBERS

The Corporation shall have no members.

ARTICLE IV

DIRECTORS

Section 1. Number and Qualifications. The minimum number of directors of the Corporation shall be nine (9), and the maximum number and qualifications shall be set forth in the by-laws of the Corporation.

Section 2. Term and Election. Directors of the Corporation shall be elected for three year terms, with such limitations on the number of successive terms as may be provided in the by-laws. Vacancies in or additions to the Board of Directors shall be filled from time to time by the remaining Directors. The terms of the directors shall be staggered, so that approximately one-third of the directors' terms will expire in each year.

Section 3. Powers. The Board of Directors shall manage and govern the affairs of the Corporation and shall have all rights and powers of directors under applicable laws of the Commonwealth of Virginia including the power to adopt and amend By-Laws of the Corporation and these Articles of Incorporation.

Section 4. Directors. The directors of the Corporation and their respective addresses as of this Amended and Restated Articles of Incorporation shall be:

Daniel L. Gray, Esq., Chairperson
10201 Fairfax Blvd., Suite 520
Fairfax, VA 22030

Jennifer McKenzie, Vice-Chairperson
3722 Prince William Drive
Fairfax, VA 22031

Thomas Rowe, Secretary / Treasurer
2070 Chain Bridge Road, Suite 500
Vienna, VA 22182

Dara Aldridge
10135 Spring Lake Terrace
Fairfax, VA 22030-0254

Emil Franks
8715 Duvall Street
Fairfax, VA 22031

James Ross
9811 Doulton Court
Fairfax, VA 22032

Maiko C. Ashby
8607 Janet Lane
Vienna, VA 22180

Jennifer Judelsohn, LCSW
P.O. Box 2716
Merrifield, VA 22116

Susan Zywokarte
11569 North Shore Drive, Apt. 11
Reston, VA 22090

Patrick Chaing
888 N. Quincy Street, Unit 1405
Arlington, VA 22203

Angie Lathrop
2798 N. Quebec Street
Arlington, VA 22207

ARTICLE V

REGISTERED OFFICE AND REGISTERED AGENT

The post office address of the registered office is 10201 Fairfax Boulevard, Suite 200, Fairfax, Virginia 22030. The name of the County in which the registered office is located is the County of Fairfax, Virginia. The name of the registered agent is Sylisa Lambert-Woodard, whose business office is the same as the registered office of the Corporation and who is an officer of the Corporation.

ARTICLE VI

DISSOLUTION

Upon the dissolution of this Corporation its assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c) (3) of the Internal Revenue Code, or corresponding section of any future Federal tax code, or shall be distributed to the Federal government, or to a state or local government, for a public purpose.

ARTICLE VII

LIMITATION OF LIABILITY AND INDEMNIFICATION

Section 1. Limitation of Liability of Trustees, Officers, Employees, Agents, Committee Members and Volunteers. In any proceeding brought by or in the right of the Corporation, the liability of and damages assessed against a director, trustee, officer, employee, agent, committee member, or volunteer of the Corporation arising out of or resulting from a single transaction, occurrence or course of conduct shall be limited and shall not exceed the lesser of (i) the amount of cash compensation, if any, paid to such person by the Corporation during the preceding twelve (12) months, or (ii) the sum of One Hundred Dollars (\$100.00). In addition, so long as the Corporation is exempt from income taxes under §501(c) of the Internal Revenue Code, as amended, in any proceeding against a director, trustee, officer, employee, agent, committee member, or volunteer of the Corporation, the damages assessed arising out of any single transaction, occurrence or course of conduct shall not exceed the compensation (even if such compensation is zero) received by such person from the Corporation during the twelve months immediately preceding the act or omission for which liability was imposed. However, the liability of such a person shall not be limited as provided herein if such person engaged in willful misconduct or a knowing violation of the criminal law.

Section 2. Indemnification of Trustees, Officers, Employees, Agents, Committee Members, and Volunteers. The Corporation shall indemnify each director, trustee, officer, employee, agent, committee member, and volunteer against liabilities, including judgments, awards, fines, amounts paid in settlement and reasonable attorney's fees, costs and other expenses and liabilities, incurred by him or her in connection with any actual or threatened action, suit or

proceeding, whether civil, criminal, administrative, arbitrative or investigative (any of which is hereinafter referred to as a “proceeding”) to which he or she may be made a party by reason of being or having been a director, trustee, officer, employee, agent, committee member, or volunteer of the Corporation if: (i) he or she conducted himself or herself in good faith; (ii) he or she believed, in his or her official capacity with the Corporation, that his or her conduct was in the best interests of the Corporation or was not opposed to the best interests of the Corporation; and (iii) he or she had no reasonable cause to believe, in the case of any criminal proceeding, that his or her conduct was unlawful.

Section 3. Determination. Except as specifically otherwise provided herein, the termination of a proceeding by judgment, order, settlement or conviction is not, of itself, determinative that an individual did not meet the standard of conduct set forth above or that the conduct of such individual constituted a knowing violation of a criminal law. Unless ordered by a court of competent jurisdiction, any indemnification hereunder shall be made by the Corporation upon a determination that indemnification of the individual is permissible in the circumstances because he or she met the standard of conduct set forth herein and the conduct of the individual did not constitute a knowing violation of criminal law.

Section 4. Method of Determination. Such determination shall be made: (a) by the Board of Trustees by a majority vote of a quorum consisting of Trustees who are not parties to such proceeding; or (b) if such quorum cannot be obtained, by majority vote of a committee, consisting of two or more Trustees not at the time parties to the proceeding, designated by the Board (in which designation Trustees who are parties to the proceeding may participate); or (c) by special legal counsel selected by the Board members who are not parties to the proceeding, or its committee

designated in the manner heretofore provided for, or, if such a quorum of the Board cannot be obtained and such a committee cannot be designated, special legal counsel selected by a majority of the Board members (in which selection Trustees who are parties to the proceeding may participate). The Board, in making any such determination or referring any such determination to special legal counsel, must act with reasonable promptness when indemnification is sought by any director, trustee, officer, employee, agent, committee member, or volunteer.

Section 5. Advance for Expenses. The Corporation shall advance to or on behalf of a director, trustee, officer, employee, agent, committee member, or volunteer, any expenses incurred in defending any proceeding in advance of the final disposition of such proceeding, if authorized in the manner set forth in Section 3 of this Article, upon receipt of both of the following: (a) a written statement that such person in good faith believes that his or her conduct permits indemnification hereunder, and (b) a written agreement that in the event it is ultimately determined that such person is not entitled to indemnification under this Article, he or she will repay any amount advanced by the Corporation.

Section 6. Provisions not Exclusive. As authorized by the Virginia Non-stock Corporation Act, the provisions of this bylaw are in addition to and not in limitation of the specific powers of a non-stock corporation to indemnify directors, trustees, officers, employees, agents, committee members, and volunteers set forth therein. If any provision of this bylaw shall be adjudicated invalid or unenforceable by a court of competent jurisdiction, such adjudication shall not be deemed to invalidate or otherwise affect any other provision hereof or any power of indemnity which the Corporation may have under the Virginia Non-stock Corporation Act or other laws of the Commonwealth of Virginia.

Section 7. References Inclusive. Every reference in this Article to a director, trustee, officer, employee, agent, committee member, or volunteer of the Corporation shall include every director, trustee, officer, employee, agent, committee member, or volunteer or former director, trustee, officer, employee, agent, committee member, or volunteer of (i) the Corporation, (ii) any predecessor corporation, (iii) any corporation which shall have been merged into or consolidated with the Corporation, and/or (iv) any “sister” corporation formed for the same or similar purposes as the Corporation and governed by the same members of the Board of Directors of the Corporation (whether all or some), including but not limited to Pathways Living, Inc., Pathway Options, Inc., Pathway Visions, Inc., and Pathway Recovery, Inc.; and every person who may have served at the request of the Corporation as a director, trustee, officer, employee, agent, committee member, or volunteer or in a similar capacity of another corporation, partnership, joint venture, trust or other enterprise and, in all such cases, the heirs, executors, and administrators of such person.

Section 8. Special Provisions. Expenses of an individual in pursuing court-ordered indemnification or advancement of expenses under this provision shall also be treated as an indemnified expense, if such individual prevails. An individual may seek *de novo* judicial review of any denial of indemnification or advancement of expenses by the Corporation or by a court. There shall be no presumption of correctness of the result arising from the following of proper procedures by the Board, a committee, or special counsel. Special counsel shall be counsel which does not represent, and has not represented for at least 10 years, either the Corporation, any of its directors or officers, or the individual seeking indemnification or advancement of expenses, and there shall be a written engagement agreement in which special counsel acknowledges that the interests of the Corporation and individual seeking indemnification or advancement of expenses shall be treated as

equal, irrespective of the source of payment of the fees of special counsel.

Adopted by the unanimous consent of the Board this ____ day of April, 2014.

Thomas Rowe, Secretary

PATHWAY VISIONS, INC.
BYLAWS

[Amended and Restated by the Board on April 14, 2014]

ARTICLE I
PURPOSES AND LIMITATIONS

Section 1. Purposes. The purposes for which the Corporation is organized are:

a. To provide persons with disabilities with housing facilities and services specially designed to meet their physical, social and psychological needs, and to promote their health, security, happiness and usefulness and longer living, the charges for such facilities and services to be predicated upon the provisions, maintenance and operation thereof on a nonprofit basis, where no adequate housing exists for such groups, pursuant to section 231 of The National Housing Act, as amended, to provide long-term supportive living arrangements for people of all ages who, for various reasons, need such help to function in our society and community;

b. To provide persons as described above with assistance in developing independent living skills by a competent, retained staff;

c. To accept, receive and manage all property, income and monies to be raised or contributed to the Corporation in furtherance of the foregoing purposes from other persons and entities with similar interests, and to that end to take and hold, by bequest, devise, gift, purchase or lease, for such purposes, or any of them, any property, real, personal or mixed, to sell, convey and dispose of any such property, and to invest and reinvest the principal thereof and to invest and expend the income therefrom for the purposes specified herein.

d. To do and perform all acts reasonably necessary to accomplish the purpose of the Corporation, including the execution of a regulatory agreement with the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, and of such other instruments and undertakings as may be necessary to enable the Corporation to secure the benefits of financing under Section 207 pursuant to Section 223(f) of the National Housing Act.

e. To conduct and engage in other activities not prohibited by law, not required to be specifically stated in these Articles of Incorporation and not inconsistent with the provisions of Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal income tax code (the "Code").

Section 2. Charitable Purposes. The Corporation is organized exclusively for charitable, religious, educational and scientific purposes, including, for such purposes, the making of distributions to organizations described in Section 501(c)(3) of the Code.

Section 3. No Private Inurement. No part of the net earnings of the Corporation shall inure to the benefit or be distributed to its directors, officers, or other private persons, except that the

Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein.

Section 4. Restriction on Activities. Notwithstanding any other provisions of these Articles of Incorporation, the Corporation shall not engage in, carry on or conduct any activities not permitted to be engaged in, carried on, or conducted by a corporation exempt from federal income tax under Section 501(c)(3) of the Code or by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

Section 5. Restrictions on Lobbying. No substantial part of the activities of the Corporation shall involve the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in, including the publishing or distribution of statements, any political campaign on behalf of any candidate for public office.

Section 6. Income Tax Provisions. The Corporation shall distribute its income for each taxable year at such time and in such manner as not to subject it to tax under Section 4942 of the Code, and the Corporation shall not (a) engage in any act of dealing as defined in Section 4941 (d) of the Code; (b) retain any excess business holdings as defined in Section 4943 (c) of the Code; (c) make any investments in such manner as to subject the Corporation to tax under Section 4944 of the Code; or (d) make any taxable expenditures as defined in Section 4945 (d) of the Code.

Section 7. “Charity” Defined. Where used herein, the term “charity” or “charities” shall refer only to those entities described in Section 501(c)(3) of the Code.

ARTICLE II **MEMBERSHIP**

The Corporation shall have no members.

ARTICLE III **BOARD OF DIRECTORS**

Section 1. Governance. The affairs of the Corporation shall be conducted solely under the management and control of its Board of Directors.

Section 2. Number and Qualifications. There shall be at all times a minimum of nine (9) and a maximum of thirteen (13) directors, which numbers may be changed from time to time by amendment of these bylaws. A director shall be at least 21 years old and shall, in the opinion of the Board of Directors, have some substantial connection to or interest in the purposes of the Corporation.

Section 3. Terms. Terms of directors shall be three years and directors shall be elected to fill vacancies at the annual meeting. All directors shall be eligible to be elected to serve any number of consecutive terms.

Section 4. Meetings. The Board shall hold its annual meeting on the first Monday in October of each year or, if such date is on a weekend or legal holiday, on the next business day, and shall hold such other meetings as it may schedule. The Board and any committee or subcommittee thereof shall hold its meetings at such times and places as it may from time to time prescribe or, if and when not fixed by the Board, committee or subcommittee thereof, then as may be prescribed by the Chairperson of the Board of Directors or the committee chair or subcommittee chair. Special meetings of the Board may be called at any time by the Chairperson of the Board of Directors or at the request of any three Directors, upon no fewer than three (3) days' notice. Meetings of any committee or subcommittee may be called at any time by the respective chair of that committee or subcommittee or at the request of any three members of that committee or subcommittee, upon no fewer than three (3) days' notice.

Section 5. Notice. Written notice stating the place, the date, and the time of any meeting shall be delivered either personally, by mail, or by electronic mail, to each board member not less than three (3) nor more than sixty (60) days prior to such meeting. In case of special meetings, the general nature of the business to be transacted shall be specified. Any member may waive notice of any meeting, and attendance at a meeting in person or by proxy and/or voting by any approved method shall be deemed waiver of notice.

Section 6. Participation in Meetings. Directors may participate in regular or special meetings by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means shall be deemed to be present in person at the meeting.

Section 7. Action without Meeting of the Board of Directors. Action required or permitted by the Virginia Code to be taken by the board of directors may be taken without a meeting if each director signs a consent describing the action to be taken and delivers it to the Corporation. Action taken under this section is effective when the last director signs the consent, unless the consent specifies a different effective date, in which event the action taken is effective as of the date specified therein provided the consent states the date of execution by each director. A director's consent may be withdrawn by a revocation signed by the director and delivered to the Corporation prior to delivery to the Corporation of unrevoked written consents signed by all the directors. For purposes of this section, a written consent and the signing thereof may be accomplished by one or more electronic transmissions. A consent signed under this section has the effect of action taken at a meeting of the board of directors and may be described as such in any document.

Section 8. Minutes. Minutes of the meetings of the Board and of any committee or subcommittee thereof shall be recorded and shall be available for examination and copying by all Board or committee members (or his or her authorized agent) so long as the request is for a proper purpose related to his or her membership on the Board or committee of the Corporation.

Section 9. Presiding over Meetings. The Chairperson of the Board of Directors shall preside over all meetings of the Board; in the absence of the Chairperson of the Board of Directors, the Vice-Chairperson of the Board of Directors shall preside. In the absence of both the Chairperson

of the Board of Directors and Vice-Chairperson of the Board of Directors, the Board shall designate a Director to preside.

Section 10. Quorum. A quorum at any meeting of the Directors shall consist of one-third of the entire membership of the Board present either in person or participating by other means as provided above. A majority of such quorum shall decide any question that may come before the meeting. If there is less than a quorum, those present may adjourn the meeting to another time and/or date for which no additional notice need be given.

Section 11. Rules. No form or order of business need be followed in any meeting of the Directors. At the option of the Chairperson of the Board of Directors or upon the majority vote of those present, the most recently revised edition of *Roberts Rules of Order* shall be followed.

Section 12. Vacancies. Any vacancy occurring in the Board of Directors shall be filled by a majority of the members of the Board of Directors. The member so appointed shall fill the unexpired term of his predecessor in office until that seat stands for election at an annual meeting of directors.

Section 13. Powers. The Board shall have the power to make or authorize all purchases necessary or desirable for the operation of the Corporation, to employ or authorize the employment of all employees of the Corporation and to fix their compensation, and to do or cause to be done all other things necessary for the operation and maintenance of the Corporation and to carry out its purposes. The Board of Directors shall have the power to borrow funds, as necessary, for the operation and maintenance of the Corporation.

Section 14. Financial Statements. The Board of Directors shall review annually and approve or adopt, as appropriate, financial statements including, but not limited to:

- a. a Statement of Profit and Loss (or Statement of Activities), setting forth receipts and expenditures of the previous year;
- b. a Balance Sheet (or Statement of Financial Position) as of 12/31 of the previous year; and
- c. a budget for the current year.

Section 15. Committees. The Board of Directors shall have supervision over all committees and power to alter or amend any rules or regulations prescribed by any committee.

Section 16. Bonding. The Board of Directors may secure the fidelity of the treasurer and other officers, directors, or employees by bond or otherwise and in such amount as shall be deemed proper.

Section 17. Annual Review. Unless a different standard (such as an audit) is required by law, the Board of Directors shall require a review to be made of the financial statements of

the Corporation for each calendar year. Such review may be made by an independent Committee appointed by the Board of Directors or by an independent accountant engaged for that purpose.

Section 18. Insurance. The Board of Directors shall secure, for the protection of the Corporation:

- a. public liability and property damage insurance;
- b. liability insurance for Officers and Directors to cover their performance of their duties on behalf of the Corporation, if deemed appropriate by the Board; and
- c. other forms of insurance in such amounts as may be deemed appropriate by the Board to cover the operations of the Corporation.

Section 19. Emeritus Status. The Board may from time to time designate retired or retiring or resigned or resigning Directors as Emeritus Directors for a defined or undefined period. Directors so designated with this honorific shall serve on the board in an advisory, non-voting capacity, and may attend Board meetings by specific invitation. Emeritus status may be conferred upon Directors for singular contributions to the Board including, but not limited to, past participation, financial contribution, or continuing strong interest in the Corporation. Emeritus Directors may be appointed at any meeting of the Board of Directors duly called and at which a quorum is present, by a two-thirds majority of the votes cast at such meeting. Emeritus Directors may be removed at any meeting of the Board of Directors duly called and at which a quorum is present, by a majority of the votes cast at such meeting

Section 20. Compensation and Reimbursement. No person serving as a director or committee member shall be entitled to be compensated for such service but if authorized by the Board, they may be reimbursed for reasonable expenses incurred in attending meetings.

ARTICLE IV **OFFICERS**

Section 1. Officers. The officers of the Corporation shall consist of a Chairperson of the Board of Directors, Vice-Chairperson of the Board of Directors, Chief Executive Officer, President, Chief Financial Officer, Secretary, Treasurer, all elected by the board, and such other officers as the board of directors may appoint, including one or more vice-presidents, assistant treasurers and/or secretaries, who shall exercise such powers and perform such duties as shall be determined from time to time by the board. Any number of offices may be held by the same person, unless the Articles of Incorporation or these Bylaws otherwise provide; provided, however, that in no event shall the President and the Secretary be the same person. The Chairperson of the Board of Directors, the Vice-Chairperson of the Board of Directors, the Secretary and the Treasurer shall be members of the Board of Directors. The term of office shall be one year running from one annual meeting of the board to the next (or until a successor officer has been chosen and has assumed the duties of the office). Officers may be removed by the board without notice or reason. A vacancy may be filled by appointment by the Chairperson of the

board until the next board meeting. Election or appointment as an officer shall not itself create any contractual rights.

Section 2. Chairperson of the Board of Directors. The Chairperson of the Board of Directors of the Corporation shall preside at all meetings of the board of directors, shall be the Chairperson of the Executive Committee, shall be a member of all standing committees and shall perform such other duties and have such other powers as may be vested in the Chairperson of the Board of Directors. In the absence of the Chairperson, the Vice-Chairperson shall preside at meetings.

Section 3. Duties of the Vice-Chairperson of the Board of Directors. In the absence of the Chairperson of the Board of Directors or in the event of the Chairperson's inability or refusal to act, the Vice-Chairperson shall perform the duties of the Chairperson, and when so acting shall have all the powers of, and be subject to all restrictions upon, the Chairperson. In the Chairperson's absence, the Vice-Chairperson shall preside at meetings of the board of directors and shall perform such other duties and shall have such powers as may be vested in the Vice-Chairperson of the board of directors. The Vice-Chairperson shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

Section 4. Duties of the Chief Executive Officer. The Chief Executive Officer ("CEO") of the Corporation, together with the President (if applicable), shall have general and active management of the business of the Corporation and shall insure that all orders and resolutions of the board of directors are carried into effect. The CEO shall perform such other duties and have such other powers as may be vested in the CEO by the board of directors. The CEO (or the President) shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the Corporation.

Section 5. Duties of the Chief Financial Officer. The Chief Financial Officer ("CFO") of the Corporation shall have general and active oversight of all financial aspects of the Corporation including signing all checks, presenting financial reports to the board of directors and assisting the Treasurer in preparing budgets.

Section 6. Duties of the President. The President, together with the CEO, shall have general and active management of the business of the Corporation and shall insure that all orders and resolutions of the board of directors are carried into effect. The President shall perform such other duties and have such other powers as may be vested in the President by the board of directors. The President (or the CEO) shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the Corporation.

Section 7. Duties of the Secretary. The Secretary shall attend all meetings of the board of directors, and shall record all the proceedings of the meetings of the board of directors in a book to be kept for that purpose, and shall perform like duties for standing committees,

when required. The Secretary shall give, or cause to be given, notice of all special meetings of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or by the Chairperson of the Board of Directors, under whose supervision the Secretary shall be. The Secretary shall have custody of the corporate seal of the Corporation, and the Secretary, or an assistant secretary, shall have authority to affix the same to any instrument requiring it, and when so affixed it may be attested by the signature of the Secretary or by the signature of such assistant secretary. The board of directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by such officers signature. The Secretary or an assistant secretary may also attest all instruments signed by the Chairperson of the Board, the President, or any vice-president.

Section 8. Duties of the Assistant Secretary. The Assistant Secretary, or if there be more than one, the assistant secretaries, in the order determined by the board of directors (or if there shall have been no such determination, then in the order of their appointment), shall, in the absence of the Secretary or in the event of the Secretary's inability or refusal to act, perform the duties and exercise the powers of the Secretary, and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

Section 9. Duties of the Treasurer. The Treasurer shall have general responsibility for oversight of the Corporation's funds and accounts, subject to the direction of the board of directors. He or she shall cause proper books of account to be kept, which at all reasonable times shall be open to examination by any member of the board, and reports therefrom shall be rendered at such times as the Chairperson of the Board of Directors shall order. He or she shall not be a required signatory on any payroll accounts, nor be in any way responsible for determining that proper tax withholdings are withheld and paid to the federal or state government. In the discretion of the Treasurer and Chairperson, the Treasurer may be a permitted signatory on non-payroll accounts. In all instances where the signature of the Treasurer is to be signed on a check or other document, it shall be done so manually and not by facsimile or electronic means.

Section 10. Duties of the Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the assistant treasurers in the order determined by the board of directors (or if there shall have been no such determinations, then in the order of their election), shall, in the absence of the Treasurer or in the event of the Treasurer's inability or refusal to act, perform the duties and exercise the powers of the Treasurer, and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

Section 11. Leadership Team. In the absence of the Chief Executive Officer and President (if applicable), or in the event of the CEO's and President's inability or refusal to act, the Executive Staff designated as the Corporation's Leadership Team by the CEO, with approval by the board, shall perform the duties of the CEO and President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the CEO and President. The Leadership Team, as designated, shall have such other powers and perform such other duties as the CEO may from time to time prescribe in writing, approved by the board.

Section 12. Compensation and Reimbursement. Any person serving as an officer shall be entitled to be compensated for such service if the compensation amount is authorized by the board, and is entitled to be reimbursed for expenses incurred on behalf of the Corporation if authorized by the board, in amounts deemed reasonable by the Chief Executive Officer.

ARTICLE V
AMENDMENTS

These Bylaws may be amended, altered, or repealed at any annual or special meeting of the Board by majority vote.

Adopted by the Board this 14th day of April, 2014.

Thomas Rowe, Secretary

For the sake of what?

Does this move us in the direction of our mission?

Is this the best use of resources?

Is this the direction we said we want to go?

Our Mission:

Pathway Homes embodies the spirit of recovery: embracing an attitude of hope, self-determination and partnering with each individual on their personal journey toward achieving self-fulfillment and realizing their dreams.

We fulfill our mission by making available to individuals with mental illness and co-occurring disabilities a variety of non-time-limited housing and services to enable them to realize their individual potential.

PATHWAY RECOVERY, INC.

Community Housing and Development Organization
(CHDO)

Board of Directors

Monday, April 14, 2014

7:00 P.M.

10201 Fairfax Blvd., Ste. 200

Fairfax, VA 22030-2209



- 11:00 Call to Order
- 11:05 Approval of Minutes of Meeting October 1, 2012*
- 11:10 CEO's Report – Dr. Sylisa Lambert-Woodard
- 11:15 Treasurer's Report - Brenda Brennan
- 11:20 Chairperson's Report and Comments
- 11:25 Committee Reports
- 11:30 Old Business
- 11:35 New Business
- 11:40 Announcements
- 11:45 Adjournment

* Materials Enclosed in Packet

PATHWAY RECOVERY, INC.
(Community Housing Development Organization)

Minutes of the Meeting of the
Board of Directors
October 14, 2013

The semi-annual meeting of the Board of Directors was held on April 8, 2013. The meeting was called to order by Chairman, Dan Gray at 8:55 p.m. The following individuals were present and participated throughout the meeting:

MEMBERS

Daniel Gray, Chairman
Jennifer McKenzie,
Vice-Chair/Secretary & Treasurer
Sue Zywokarte

STAFF

Sylisa Lambert-Woodard, President/CEO
Lauren Leventhal, Technology and QA
Manager

MINUTES

After review by the Directors, Sue made a motion to approve the minutes of the April 8, 2013 meeting. This was seconded by Jennifer McKenzie and approved unanimously.

CEO REPORT –Sylisa Lambert-Woodard

Sylisa has nothing to add in addition to the previously-distributed Addendum to the Board Agenda.

TREASURER'S REPORT – Sylisa Lambert-Woodard

Nothing new

CHAIRPERSON'S REPORT – Dan Gray

No report.

COMMITTEE REPORTS

A. **BOARD DEVELOPMENT** – Dan Gray

Dan read: The following is the Officer Slate as proposed by the Nominating Committee for the October 2013 – 2014 term:

Dan Gray – Chairperson
Jennifer McKenzie – Vice-Chairperson & Secretary/Treasurer

Sue Zywokarte moved to accept the Nominating Committee's recommendations as proposed. This was seconded by Jennifer McKenzie and approved unanimously.

OLD BUSINESS –

There was no old business.

NEW BUSINESS –

There was no new business.

ANNOUNCEMENTS

The Resident Holiday Party will be held on December 5th at the Church of the Epiphany in Herndon from 6-9 p.m. Anyone who would like to help should contact Anna Smith.

ADJOURNMENT

There being no further business, Jennifer made a motion to adjourn the meeting. This was seconded by Sue and unanimously approved.

The meeting was adjourned at 9:22 p.m.

Respectfully submitted,