

## 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, July 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- Eleanor Vincent, EdD, CSAC  
Chief Operating Officer
- Presentation - Greg Arden, Consumer Volunteer
- 7:30 Approval of Minutes of Meeting April 14, 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
  - 3. Personnel Practices Committee
- 8:30 Old Business
  - 1. Property Tours
  - 2. Resolution
- 8:35 New Business
  - 1. Schedule home tours
  - 2. Annual Code of Ethics Review
  - 3. Policies and Procedures
- 8:40 Announcements
  - 1. Summer of the Arts Exhibit
  - 2. Help the Homeless Walk
- 8:45 Adjournment

\* Materials Enclosed in Packet

## ADDENDUM TO BOARD AGENDA

July 14, 2014

Pathway Homes' has been hard at work closing out our fiscal year and attending to our strategic plan. This past quarter has resulted in increased housing and supports, as well as enhanced partnerships and acknowledgements for our agency. 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 the 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 two additional one-bedroom units fully expending the \$300,000 HOME award. Two additional individuals with chronic homelessness will be provided housing and support services in these units.
- Pathway Homes has presented an expansion proposal to the Continuum of Care (COC) to increase housing and services from 44 currently served consumers to 78-92 consumers over the next 5 years. It is expected that we will expand our housing and support services by 16 to 20 individuals each year by finding acquisition dollars and subsidies, and redistributing existing services from individuals who no longer need intensive service to those with greater needs. As a result of the COC's monitoring tool results, and subsequent consults with HUD and the local COC, it is the expectation that all HUD recipients maximize historical funds to serve the greatest number of chronically homeless individuals in their localities.
- 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 zoning designation required to pursue this property, and currently is working to resolve needed parking space. While we did not receive Community Consolidated Funding Pool (CCFP) acquisition funding for this project, we are currently awaiting a RFP to be issued in July to request DHCD Housing Blueprint funding totaling up to **\$5.8** million. This RFP was not awarded previously due to lack of site control. We are now within weeks of securing site control. This project would greatly impact the critical need for permanent supportive housing for approximately 57-68 homeless individuals and/or provide workforce housing to adults in Fairfax County, many with severe co-occurring disabilities.
- Pathway Homes was awarded two CCFP grants in the amount of \$57,000 for long term services to serve a total of 28 consumers and \$125,000 to serve a total of 70 consumers

through the self-sufficiency grant for FY' 15 and 16.

- 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. We are awaiting notice of this award by this fall.
- **Pathway Homes is under contract to purchase our new ALF in Prince William!!** We will rent this property for 4 months, and close on 10/30/14. A slide show will be available for viewing of the property at the board meeting. Pathway Homes will use the \$225,000 awarded by the Community Services Block Grant (CSBG) from Prince William County for housing acquisition that was approved in April by the Prince William Board of Supervisors. It is anticipated that these funds will be disbursed in September. Three (3) of the 8 individuals that will be served by this program have been selected. Also, we have applied for VHDA gap funding to anticipate any shortfall, and submitted a request for \$270,000 on 6/30/14 to the VA Permanent Supportive Housing Grant program. In addition, we have submitted grants to Wells Fargo for \$50,000 and Clark-Weinchcole for an additional \$50,000. Pathways anticipates its first consumers in the new ALF moving into their home in August.
- The HUD audit for our Shelter Plus Care 1 grant concluded on 6/26/14. The informal debrief concluded with no findings. Additional details of the audit may be referenced in financial report.
- 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 with implementation to begin in July.
- Pathway Homes continues 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). To date, RPJ continues to work with a sub trustee to release gross proceeds from previous foreclosures in order to clear up titles, clear other vendors, and provide sufficient proceeds to allow for needed renovation. Pathway Homes currently has a letter of intent with RPJ for their remaining portfolio. Pathways has utilized the pro bono legal consultation of Marion May, Esquire who specializes in multifamily real estate to provide oversight with intended assumption. Pathway Homes will continue to secure legal consultation prior to any formal contract.

- Pathway Homes was named a finalist for the Helios Apollo Awards after being selected by a panel of independent judges for the innovation and impact of our employee development programs as they relate to engagement, growth and community service. The Helios Apollo Awards Breakfast Ceremony was held on 5/28/14 at the Ritz Carlton in Tysons Corner, VA. This high energy, public ceremony was an opportunity to connect, collaborate and celebrate the investment that Pathways has made in its employee development program.
- The 2014 Outstanding Corporate Citizenship Awards were presented at the Annual Chairman's Luncheon at the Hilton McLean Tysons Corner on 6/17/14. For the second year in a row Pathway Homes was named a finalist as the Non-Profit of the Year!

# **PATHWAY HOMES, INC.**

## **Minutes of the Meeting of the Board of Directors April 14, 2014**

A quarterly meeting of the Board of Directors was held on April 14, 2014. A quorum being present, the meeting was called to order at 7:00 p.m. by Chairman, Dan Gray. The following individuals were present and participated throughout the meeting:

### **MEMBERS**

Dan Gray, Chair  
Tom Rowe, Secretary & Treasurer  
Dara Aldridge  
Patrick Chaing *via telephone*  
Emil Franks  
Angie Lathrop  
Jim Ross

### **STAFF**

Sylisa Lambert-Woodard, President & CEO  
Brenda F. Brennan, CFO  
Eleanor Vincent, COO  
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: Maiko Ashby, Jennifer Judelsohn, Jennifer McKenzie, and Sue Zywokarte.

### **PRESENTATION**

**HIPPA and HITECH:** Eleanor Vincent, EdD, CSAC; Chief Operating Officer

Eleanor gave a presentation (powerpoint slides enclosed in the Board minutes book) concerning privacy and security of private health information (PHI), and how Pathway Homes works to ensure compliance with these laws. Angie Lathrop entered the meeting at 7:12pm during the first minutes of this presentation.

Dr. Vincent discussed administrative procedures, physical safeguards, and technical safeguards as well as requirements for staff training.

Jim Ross questioned the security of open wifi for staff using Credible in the field. He specifically would like to know about the security of scanning on an open wifi network. Lauren Leventhal responded that using Credible itself is secure on any network as the site itself is secure (using HTTPS), and Credible has always confirmed that use of their system over public wifi networks is secure, allowing that the physical environment is safeguarded. Angie suggested consulting with an outside source to get more information and confirm Credible's claims. She

will see if a Bank of America contact can provide more information, and report back at the next Board meeting.

## **MINUTES**

Dan Gray called for a motion to approve the minutes from January 13, 2014 as presented. Jim Ross made a motion to approve, which was seconded by Angie Lathrop and approved unanimously.

Dan Gray called for a motion to approve the minutes as presented from the special meeting of the Board of Directors of Pathway Homes held on March 20, 2014. Tom Rowe made a motion to approve, which was seconded by Jim Ross and approved unanimously.

## **CEO Report** – Dr. Sylisa Lambert-Woodard

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

- Sylisa announced that Pathway Homes ranked 14<sup>th</sup> on the *Top 50 Best NonProfits to Work For in 2014* list compiled by *The NonProfit Times*.
- Pathway Homes is a finalist for the Fairfax County Chamber of Commerce Outstanding Corporate Citizenship Awards.

## **TREASURER'S REPORT** – Brenda Brennan

The Treasurer's Report was distributed prior to the meeting, and Brenda commented that the balance and financial sheets are for informational purposes (enclosed in the Board minutes book). Dan Gray asked how the search for a Controller is going, and Brenda reported that second-round interviews have been scheduled.

## **CHAIRPERSON'S REPORT AND COMMENTS** – Dan Gray

- Dan reported that he attended Steps to Pathways and had a chance to have a conversation with a resident and her father. He encouraged Board members not only to attend, but to continue to encourage friends and acquaintances who might be interested in attending.
- He thanked everyone who participated in the special Board meeting held in March.
- The Recognition Event at P.J. Skidoos was very well-done, and Emil Franks was honored for his long-time commitment to Pathway Homes and its Board of Directors.

## **PHILANTHROPY COMMITTEE REPORT** – Patrick Chaing *via telephone*

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

- Call to Board members for connections to others who could help make Help the Homeless a success (professional contacts, social/interest groups, neighborhood associations, etc.).
- Angie discussed how Bank of America might help Pathways and form a relationship through their Leadership grant program and other community outreach endeavors.
- The committee's goal is to have a Steps to Pathways Breakfast in March 2015, so Board members should continue to funnel people to Pathways who could be helpful with fundraising, connections, etc.
- Anna Smith noted that there has been a change to the Summer of the Arts program this year. It will be held August 6-14 at the Lorton Workhouse Arts Center, with the Artist Reception scheduled for Saturday, August 9<sup>th</sup>.

## **BOARD DEVELOPMENT** – Jim Ross

Jim made a call to action – Board members should share with Dan or Sylisa any candidates for Board membership. The goal is to have three new individuals in place by the annual meeting in October.

Angie voiced that her relationship with Anna during the on-boarding process was beneficial to her understanding of Pathways, its mission, and her role as a Board member. She suggested that the Board should have a process in which the individual who introduces the new member to Pathways should act as a mentor throughout the on-boarding process, especially during the first year. Sylisa requested feedback about the mentor process as it stands.

## **OLD BUSINESS** –

There was no old business.

## **NEW BUSINESS** –

There was no new business.

## **ANNOUNCEMENTS** –

1. Cookout will be held at Nottoway Park on May 31<sup>st</sup> at noon.
2. The next Board meeting is July 14th

## **ADJOURNMENT**

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

The meeting was adjourned at 8:08 p.m.

Respectfully submitted,



## TREASURER'S REPORT-July 2014

Brenda Brennan, Chief Financial Officer

I'm pleased to announce that effective May 7th Shawn Valentine began with Pathway Homes as the new Controller. Shawn is a CPA candidate and has years of experience working in both for profit and not for profit businesses in the metropolitan area.

On Thursday, June 12, the Fairfax County Board of Supervisors approved a change in policy to allow the Fairfax County Department of Housing and Community Development (DHCD) to remain in a subordinate position to the U.S. Department of Housing and Urban Development (HUD) on the refinanced mortgages. This was the final hurdle for us to overcome in proceeding with the refinancing of the three mortgages.

As a result of the Board's approval, the final closing and settlement documents are being prepared and we will be going to closing sometime during the month of July 2014.

Our current rate lock will expire on June 30, 2014 and the one month extension will cost the agency approximately a quarter of a percent, \$1600 for July 2014.

The Line of Credit with Suntrust Bank was renewed for one year effective May 16, 2014 through May 15, 2015.

On May 28<sup>th</sup>, Sylisa Lambert-Woodard, Shawn Valentine, Sakin Mire and Brenda Brennan met with the auditing firm of CohnReznick to schedule and plan the Fiscal Year 2014 audit. Once again, Michelle Barnaby will be the lead on the financial and compliance audit and Christopher Griffin will be the lead on the TSA 403(b) audit.

For one week beginning July 28, the TSA audit will be conducted and beginning on Monday, August 4 for approximately three weeks the financial and compliance audit will take place. Fees for this year's audits will remain consistent with last year's fees.

The U.S. Department of Housing and Urban Development (HUD) conducted a Management Occupancy Review and Audit of the Shelter Plus Care Grant SPC1C, VA0101L3G0011205 for the period April 1, 2013 through March 31, 2014. Walter Elmore, the Community Planning and Development Representative was on site from June 24 through June 26 reviewing; Client and Participant records and eligibility, Overall Program Management and Financial Management with both DHCD and Pathway Homes, the Supportive Services provided and the ongoing assessments of those services to clients with the documentation of match. Staff from DHCD, Kehinde Powell and Stuart Stallman and Continuum of Care Lead, Julie Maltzman, was also on site during the first day.

Mr. Elmore also had an opportunity to visit a resident in her own apartment on the last day of his monitoring.

Overall, Mr. Elmore commented that this was an easy review for him to conduct and as he had predicted, everything was in order and well documented. His primary and main focus in his recommendation letter, will center on ensuring that DHCD as the grantee, is providing enough ongoing monitoring and follow-up. We expect to receive Mr. Elmore's report by the end of the month.

The Retail Sales and Use Tax Certificate of Exemption was renewed effective June 24, 2014 for five years, ending June 24, 2019.

Beginning in March 2014, we have been very fortunate to have Baffour Ennin volunteering six hours a week to assist Amparo O'Connell, Property Coordinator, with administrative tasks. Baffour has been an invaluable resource to us and we continue to benefit from his organization

and excel skills in ensuring that all the required documents, inspections and paperwork is timely recorded, filed or responded to.

All insurance policies; Property, Professional, Worker's Compensation, Director & Officer's, Crime/Fidelity and General liability were renewed effective May 9, 2014.

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

**Pathway Homes  
Balance Sheet**

As of 5/31/2014

	<b>Pathway Operating Fund</b>	<b>McKinney</b>	<b>TOTAL - PATHWAY OPERATIONS</b>	<b>Pioneer &amp; Sheldon</b>	<b>Capital Expenditures</b>	<b>Total</b>
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents	1,138,986.45	179,965.48	1,318,951.93	1,946.64	99,127.78	1,420,026.35
Accounts Receivable	7,186.69	350.63	7,537.32	0.00	22,801.30	30,338.62
Program Fee Receivable	170,194.14	0.00	170,194.14	0.00	0.00	170,194.14
Prepaid Expenses	151,963.08	951.00	152,914.08	406.50	1,760.00	155,080.58
Security Deposits	48,054.50	0.00	48,054.50	0.00	0.00	48,054.50
Advances-Intercompany	72,589.20	308,869.59	381,458.79	0.00	671,147.84	1,052,606.63
Accrued Interest Receivable	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Current Assets</b>	<b>1,588,974.06</b>	<b>490,136.70</b>	<b>2,079,110.76</b>	<b>2,353.14</b>	<b>794,836.92</b>	<b>2,876,300.82</b>
<b>Property and Equipment</b>						
Fixed Assets	8,736,748.71	1,206,863.54	9,943,612.25	324,387.91	0.00	10,268,000.16
Accumulated Depreciation	(735,243.70)	(532,862.06)	(1,268,105.76)	(205,911.44)	0.00	(1,474,017.20)
<b>Total Property and Equipment</b>	<b>8,001,505.01</b>	<b>674,001.48</b>	<b>8,675,506.49</b>	<b>118,476.47</b>	<b>0.00</b>	<b>8,793,982.96</b>
<b>Other Assets</b>						
Cash and Cash Equivalents	0.00	0.00	0.00	8,182.01	0.00	8,182.01
Investments	15,078.91	0.00	15,078.91	0.00	0.00	15,078.91
Reserve for Replacement	30,493.17	39,685.40	70,178.57	0.00	0.00	70,178.57
Intangible Assets-software	64,727.42	0.00	64,727.42	0.00	0.00	64,727.42
<b>Total Other Assets</b>	<b>110,299.50</b>	<b>39,685.40</b>	<b>149,984.90</b>	<b>8,182.01</b>	<b>0.00</b>	<b>158,166.91</b>
<b>Total Assets</b>	<b>9,700,778.57</b>	<b>1,203,823.58</b>	<b>10,904,602.15</b>	<b>129,011.62</b>	<b>794,836.92</b>	<b>11,828,450.69</b>
<b>Liability and Net Assets</b>						
<b>Liabilities</b>						
Accounts Payable and Accrued Expenses	163,563.23	18,388.26	181,951.49	121.50	430.00	182,502.99
Deferred Revenue	402,580.34	0.00	402,580.34	102.00	0.00	402,682.34
Liability for Escrow Funds	35,255.99	0.00	35,255.99	0.00	0.00	35,255.99
Line of Credit	400,000.00	0.00	400,000.00	0.00	0.00	400,000.00
Due To (From) Other Funds	934,104.06	23,389.28	957,493.34	3,360.73	28,919.12	989,773.19
Mortgage Payable	1,733,256.07	158,019.08	1,891,275.15	125,961.77	0.00	2,017,236.92
Lease Payable	2,730.00	0.00	2,730.00	0.00	0.00	2,730.00
<b>Total Liabilities</b>	<b>3,671,489.69</b>	<b>199,796.62</b>	<b>3,871,286.31</b>	<b>129,546.00</b>	<b>29,349.12</b>	<b>4,030,181.43</b>
<b>Net Assets</b>						
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	995,218.37	291,338.32	1,286,556.69	7,733.10	94,438.02	1,388,727.81
<b>Total Net Assets</b>	<b>6,029,288.88</b>	<b>1,004,026.96</b>	<b>7,033,315.84</b>	<b>(534.38)</b>	<b>765,487.80</b>	<b>7,798,269.26</b>
<b>Total Liability and Net Assets</b>	<b>9,700,778.57</b>	<b>1,203,823.58</b>	<b>10,904,602.15</b>	<b>129,011.62</b>	<b>794,836.92</b>	<b>11,828,450.69</b>

**Pathway Homes**  
**Statement of Revenues and Expenditures-Detailed - Combined Financial Statement-BB**

From 7/1/2013 Through 5/31/2014

		Pathway Operating Fund	McKinney	TOTAL - PATHWAY OPERATIONS	Pioneer & Sheldon	Capital Expenditures	Total
<b>Revenue</b>							
Contract Funds - Fairfax	4100	3,809,829.12	94,937.12	3,904,766.24	0.00	0.00	3,904,766.24
Grant Revenue	4110	550,421.33	0.00	550,421.33	0.00	0.00	550,421.33
Grant Revenue - SPC	4115	1,319,771.43	0.00	1,319,771.43	0.00	0.00	1,319,771.43
Admin Fee - SPC	4120	91,313.54	0.00	91,313.54	0.00	0.00	91,313.54
HUD Housing Funds	4130	0.00	697,503.00	697,503.00	0.00	0.00	697,503.00
Social Security Revenue - ACR	4140	291,880.65	0.00	291,880.65	0.00	0.00	291,880.65
Auxiliary Grant Revenue - ACR	4141	204,417.00	0.00	204,417.00	0.00	0.00	204,417.00
Client Fees	4150	434,585.19	182,688.24	617,273.43	0.00	0.00	617,273.43
Rental Income	4160	235,708.60	0.00	235,708.60	0.00	0.00	235,708.60
Medicaid Fees	4162	561,925.00	0.00	561,925.00	0.00	0.00	561,925.00
Other Revenue	4200	16,310.78	0.00	16,310.78	0.00	203.00	16,513.78
Interest Income	4210	5.85	0.00	5.85	0.00	22.22	28.07
Donations-Unrestricted	4400	0.00	0.00	0.00	0.00	41,151.24	41,151.24
Donations-Restricted	4405	0.00	0.00	0.00	0.00	73,183.69	73,183.69
Disposition of Assets-Gain/Loss	4500	0.00	0.00	0.00	0.00	0.00	0.00
Rental Income - Tenant Income(HUI Only)	5120	0.00	0.00	0.00	19,961.00	0.00	19,961.00
Rental Income - HUD Supplement	5121	72,726.00	0.00	72,726.00	21,060.00	0.00	93,786.00
Vacancy	5220	0.00	0.00	0.00	(619.00)	0.00	(619.00)
Interest	5440	0.00	0.00	0.00	1.02	0.00	1.02
Income-Reserve/Replacement							
<b>Total Revenue</b>		<b>7,588,894.49</b>	<b>975,128.36</b>	<b>8,564,022.85</b>	<b>40,403.02</b>	<b>114,560.15</b>	<b>8,718,986.02</b>
<b>Expenses</b>							
Advertising & Marketing	6210	708.00	0.00	708.00	0.00	0.00	708.00
Office Expenses-Phone HUD	6311	0.00	0.00	0.00	4,451.22	0.00	4,451.22
Telephone & Cable Expense	6313	43,485.75	11,311.70	54,797.45	0.00	0.00	54,797.45
Postage & Shipping	6314	3,826.64	0.00	3,826.64	0.00	0.00	3,826.64
Membership Fees	6315	3,825.00	0.00	3,825.00	0.00	1,290.00	5,115.00
Books & Subscriptions	6316	1,786.40	0.00	1,786.40	0.00	0.00	1,786.40
Printing & Copying	6317	10,587.78	0.00	10,587.78	0.00	0.00	10,587.78
Legal Expense	6340	1,087.99	0.00	1,087.99	0.00	0.00	1,087.99
Audit Expense	6350	59,525.00	0.00	59,525.00	0.00	0.00	59,525.00
Computer Supplies & Services	6352	39,647.73	189.62	39,837.35	0.00	0.00	39,837.35
Computer Consultant Services	6353	43,125.74	0.00	43,125.74	0.00	0.00	43,125.74
Office Supplies	6360	8,273.40	79.96	8,353.36	0.00	14.99	8,368.35
Miscellaneous Administrative Expenses	6390	6,081.58	0.00	6,081.58	33.00	98.26	6,212.84
Purchases From Contributions	6391	(12,000.00)	0.00	(12,000.00)	0.00	38,941.18	26,941.18

**Pathway Homes**  
**Statement of Revenues and Expenditures-Detailed - Combined Financial Statement-BB**

From 7/1/2013 Through 5/31/2014

		Pathway Operating Fund	McKinney	TOTAL - PATHWAY OPERATIONS	Pioneer & Sheldon	Capital Expenditures	Total
Fund Raising Expense	6394	0.00	0.00	0.00	0.00	18,658.07	18,658.07
Special Events	6416	0.00	0.00	0.00	0.00	13,344.66	13,344.66
Conference	6417	2,601.17	0.00	2,601.17	0.00	1,994.43	4,595.60
Training Expenses	6418	9,834.54	241.87	10,076.41	0.00	0.00	10,076.41
Counselor's Expenses	6420	3,944.76	62.69	4,007.45	0.00	0.00	4,007.45
Professional Liability Insurance	6430	75,350.00	2,287.90	77,637.90	0.00	0.00	77,637.90
Vehicle Insurance	6431	14,935.80	0.00	14,935.80	0.00	0.00	14,935.80
Crime Bond Insurance	6433	3,184.20	0.00	3,184.20	0.00	0.00	3,184.20
Directors & Officers Insurance	6435	4,019.20	0.00	4,019.20	0.00	0.00	4,019.20
Electricity	6450	28,297.53	27,507.34	55,804.87	2,399.56	0.00	58,204.43
Water	6451	4,680.83	11,025.20	15,706.03	1,130.15	0.00	16,836.18
Gas	6452	4,518.08	2,605.60	7,123.68	2,149.08	0.00	9,272.76
Contract Expense-SPC Other	6454	17,625.96	0.00	17,625.96	0.00	0.00	17,625.96
Rent-Admin	6456	239,997.56	6,048.00	246,045.56	0.00	0.00	246,045.56
Contract Expense - SHP	6457	0.00	383,269.31	383,269.31	0.00	0.00	383,269.31
Contract Expense - SPC	6458	1,591,328.09	0.00	1,591,328.09	0.00	0.00	1,591,328.09
Storage Facility	6459	15,701.65	0.00	15,701.65	0.00	0.00	15,701.65
Home Owners Association Fee	6460	50,540.56	6,027.00	56,567.56	0.00	0.00	56,567.56
Contracts - HUD Only	6520	0.00	0.00	0.00	2,862.50	0.00	2,862.50
Garbage & Trash Removal	6525	2,695.54	62.41	2,757.95	1,248.27	0.00	4,006.22
Repairs & Maintenance	6540	35,154.61	6,787.91	41,942.52	0.00	0.00	41,942.52
Grounds Maintenance	6541	2,115.07	505.00	2,620.07	0.00	0.00	2,620.07
Extermination	6542	9,961.98	1,780.00	11,741.98	0.00	0.00	11,741.98
Snow Removal	6548	50.00	0.00	50.00	0.00	0.00	50.00
Staff Mileage Expenses	6560	63,702.46	11,288.19	74,990.65	0.00	0.00	74,990.65
Vehicle Operating Cost	6570	17,744.36	0.00	17,744.36	0.00	0.00	17,744.36
Furnishings	6580	0.00	598.00	598.00	0.00	0.00	598.00
Misc. Operating Expenses	6590	14,631.79	1,982.17	16,613.96	4,854.48	1,574.21	23,042.65
Furnishings Not Capitalized	6595	0.00	882.00	882.00	0.00	0.00	882.00
Equipment Not Capitalized	6596	0.00	130.28	130.28	0.00	0.00	130.28
Depreciation Expenses	6600	144,320.62	24,209.95	168,530.57	5,438.65	0.00	173,969.22
Real Estate Taxes	6710	3,170.29	0.00	3,170.29	0.00	0.00	3,170.29
Property Liability Insurance	6720	9,133.00	11,975.00	21,108.00	2,610.32	0.00	23,718.32
Fees, Licenses & Permits	6790	5,612.91	0.00	5,612.91	0.00	0.00	5,612.91
Interest Expense	6820	90,290.73	11,379.92	101,670.65	10,098.40	0.00	111,769.05
Food	6932	102,299.89	0.00	102,299.89	0.00	0.00	102,299.89
Cleaning/Household Supplies	6951	19,466.53	0.00	19,466.53	0.00	0.00	19,466.53
Medical Supplies - Rx	6960	836.89	0.00	836.89	0.00	0.00	836.89
Medical Supplies - Non Rx	6963	3,989.05	0.00	3,989.05	0.00	0.00	3,989.05

**Pathway Homes**  
**Statement of Revenues and Expenditures-Detailed - Combined Financial Statement-BB**

From 7/1/2013 Through 5/31/2014

		<b>Pathway Operating Fund</b>	<b>McKinney</b>	<b>TOTAL - PATHWAY OPERATIONS</b>	<b>Pioneer &amp; Sheldon</b>	<b>Capital Expenditures</b>	<b>Total</b>
Cosmetic/Personal Items	6964	1,799.67	0.00	1,799.67	0.00	0.00	1,799.67
Laundry/Linens	6973	6,660.15	0.00	6,660.15	0.00	0.00	6,660.15
Payroll	9000	3,427,774.68	234,402.21	3,662,176.89	0.00	0.00	3,662,176.89
Payroll Tax Expense	9200	248,477.84	17,627.49	266,105.33	0.00	0.00	266,105.33
Retirement Expense	9300	116,129.20	7,188.90	123,318.10	0.00	0.00	123,318.10
Health Insurance	9400	334,252.28	20,054.75	354,307.03	0.00	0.00	354,307.03
Life Insurance	9450	4,593.63	302.80	4,896.43	0.00	0.00	4,896.43
Dental Insurance	9470	27,223.93	1,818.99	29,042.92	0.00	0.00	29,042.92
VA Employment Tax	9500	14,305.69	848.22	15,153.91	0.00	0.00	15,153.91
Workmen's Compensation	9600	34,602.71	1,804.81	36,407.52	0.00	0.00	36,407.52
Contract Service	9700	137,915.92	0.00	137,915.92	0.00	0.00	137,915.92
Accrued Compensated Leave	9800	(158,893.73)	0.00	(158,893.73)	0.00	0.00	(158,893.73)
Total Expenses		<u>6,996,538.63</u>	<u>806,285.19</u>	<u>7,802,823.82</u>	<u>37,275.63</u>	<u>75,915.80</u>	<u>7,916,015.25</u>
Change in Net Assets		<u>592,355.86</u>	<u>168,843.17</u>	<u>761,199.03</u>	<u>3,127.39</u>	<u>38,644.35</u>	<u>802,970.77</u>

July 3, 2014 – Board Development Report –FY2014

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

Dan and Sylisa will be setting up a time to meet with two potential candidates: one from Baker Tilly, LLP and the other a referral from Jennifer McKenzie of a candidate with communication/marketing experience.

**Call to Action:** The Board Development Committee requests that Board members identify potential candidates with executive level finance or communications skillsets and major gift resources along with personal attributes that include openness to making a financial contributions; ability to attend board meetings, committee meetings and special events; and are good group decision maker. Potential candidates should be sent to Chairman Dan Gray and/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.

July 3, 2014 - Philanthropic Report – FY2014 Summary

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

- FY2014 Contribution Total (07/01/2013 - 6/30/2014) - \$145,420 – 9% decrease year over year
  - Campaign Updates:
    - *Un-Restricted Funding*: FY2014 YTD: \$46,156.11 – 50% increase year over year
    - *Technology Campaign*:
      - Campaign Total: \$273,684; Remaining Amount \$111,316 on \$385,000 goal.
        - FY2014: \$36,176
    - *Summer of the Arts (Campaign continues through August 2014)* – FY14 YTD: \$1,930
    - *HTH and Holiday Wish List reported in January Report*
  - Grant Update:
    - *Submitted*: \$341,000
    - *Received*: \$23,928
    - *Pending*: \$180,000
  - Upcoming Philanthropic Events:
    - July 17 and August 21 “Steps to Pathways” Information Sessions – Guests of Board Invitation Only in September after work hours – Working with Board on Potential dates.
    - “Summer of the Arts” Exhibit (August 6<sup>th</sup>-August 14<sup>th</sup>) and Artists Reception (August 9<sup>th</sup>) 6-8 p.m.
      - Lorton Workhouse Arts Center – Building 16 – 9601 Ox Road, Lorton, VA 22079
    - Help the Homeless Walk – Saturday, October 25<sup>th</sup> – Stevenson Place
    - “Steps to Pathways” Fundraising Breakfast – March 2015
  - Calls to Action:
    - Invite guests to September “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 – Contributions due by October 15, 2014
    - Share Help the Homeless Sponsorship packet with contacts.





**Policy:** Bereavement Leave  
**Section:** Personnel  
**Policy Date:** 04/08/02  
**Date(s) Revised:**  
**Number of Pages:** (1) REVISED

**Policy Number:** 2-B1

**This Policy Applies to:**  
▶ The agency.

## PURPOSE

To support and accommodate bereaved employees.

## POLICY

It is Pathway Homes' policy to grant employees bereavement time away from work for a death in the immediate family of the employee, or to attend a funeral of an immediate family member.

## PROCEDURE

Employees will be granted ~~up to three~~ five days of bereavement leave for a death in the immediate family or to attend a funeral of an immediate family member. Immediate family is defined as spouse/partner, parents, step-parents, in-laws, siblings, children, or other relatives by blood or marriage residing with the employee. Documentation of bereavement may be requested in order to be granted bereavement leave. Employees will indicate bereavement leave on timesheets by a "B" notation next to the hours recorded under "regular hours worked." Employees may use accrued sick leave, annual leave, or compensation leave ~~with the prior approval of the CEO~~ if extended leave beyond ~~three~~ five days is needed for the death of a family member.

Employees may use up to three days accrued sick leave, annual leave, or compensation time for the death of other family or for significant others. Employees may use one day of annual leave to attend the funeral of any other individual. Leave extended beyond the allowed time may be granted with prior approval of the CEO. All leave will be recorded under the appropriate category: annual, sick or compensation leave hours.



**Policy:** Business Associates Agreements  
**Section:** Administration  
**Policy Date:** 04/14/2003  
**Date(s) Revised:**  
**Number of Pages:** (2) **REVISED**

**Policy Number:** 1-B2

**This Policy Applies to:**  
▶ The agency.

## PURPOSE

Pathway Homes is committed to requiring ensuring the confidentiality and security of protected health information that is created, received, stored, or transmitted used or disclosed by all business associates of Pathway Homes.

## POLICY

Pathway Homes may disclose protected health information (PHI) to a business associate, if Pathways first obtains adequate assurance through a written agreement with the business associate, that the business associate will appropriately safeguard the PHI.

## PROCEDURES

### Definitions:

*Protected Health Information (PHI)* means individually identifiable information relating to the past, present or future physical or mental condition of an individual, provision of health care to an individual, or the past, present or future payment for health care provided to an individual. It excludes individually identifiable health information: (i) in education records covered by the Family Educational Rights and Privacy Act; (ii) in employment records held by a covered entity in its role as an employer; and (iii) regarding a person who has been deceased for more than 50 years.

*Business Associate* means a person or entity who, on behalf of Pathway Homes other than in the capacity of a workforce member, performs or assists in performing a function or activity that involves the use or disclosure of PHI, or provides legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation, or financial services.

[HIPAA](#) refers to the Health Information Portability and Accountability Act.

*Workforce Members* means employees, volunteers, students, and other persons who conduct, in their work for Pathway Homes, is under the direct control of Pathway Homes, regardless of whether they are paid by Pathways.

The written business associate agreements shall meet the following requirements as applicable:

- ▶ Establish permitted and required uses and disclosures of PHI that are consistent with those authorized for Pathway Homes, except that:
  - the agreement may permit the business associate to use or disclose PHI for its own management and administration of such use; or
  - disclosure is required by law; or
  - the business associate obtains reasonable assurance that the confidentiality of the PHI will be maintained.
- ▶ Provide that the business associate will:
  - Not use, or disclose the PHI except as authorized under agreement or required by law, and disclose only the minimum necessary at those times;
  - Use safeguards to prevent unauthorized use or disclosure;
  - Report unauthorized uses or disclosures to Pathway Homes;
  - Pass on the same obligation relating to protection of PHI to any subcontractors or agents;
  - Make PHI available to access by the individual or his or her personal representative, in accordance with relevant law and policy;
  - Make information available for the provision of an accounting of uses and disclosures in accordance with relevant law and policy;
  - Make its internal practices, books and records relating to its receipt or creation of PHI available to the Office of the U.S. Secretary of Health and Human Services for purposes of determining Pathway Homes' compliance with HIPAA regulations;
  - If feasible, return or destroy all PHI upon termination of contract. If any PHI is retained, the business associate will continue to extend the full protections specified herein as long as the PHI is maintained;
  - Authorize termination of the agreement by the entity upon a material breach by the business associate.

- As set forth in the [Health Information Technology for Economic and Clinical Health \(HITECH\) Act](#), be subject to civil and criminal penalties for violations of the [HIPAA Privacy Rule and Security Rule](#).

If Pathway Homes knows of a pattern of practice of the business associate that amounts to a material violation of the agreement, Pathway Homes shall attempt to correct the breach or end the violation.

If such attempt is unsuccessful, Pathways will terminate the agreement, if feasible, and if not, report the problem to the Office of the U.S. Secretary of Health and Human Services.



**Policy:** Holidays and Other Leave  
**Section:** Personnel  
**Policy Date:** 01/01/1985  
**Date(s) Revised:** 10/14/2003, 04/12/2010,  
04/08/2013  
**Number of Pages:** (3)

**Policy Number:** 2-H2  
**This Policy Applies to:**  
▶ The agency.

## PURPOSE

The purpose of this policy is to provide communication about the number of holidays that Pathway Homes observes and how other leave is approved and administered.

## POLICY

Pathway Homes will normally observe the same 11.5 holidays per year that Fairfax County Government (CSB) observes, as determined by the Pathway Homes' Board of Directors. Other leave as described in this procedure will be subject to the approval of the President/~~or~~ CEO.

## PROCEDURES

### Holidays

Pathway Homes will ~~normally~~ observe the following paid holidays as determined by the Pathways Board of Directors: ~~During the Christmas and New Year's holiday periods, Pathways will follow the Fairfax County Government in decisions by the Board of Supervisors regarding any additional leave granted to County employees.~~

- ▶ New Year's Day - January 1
- ▶ Martin Luther King, Jr's Day - Third Monday in January
- ▶ Washington's Birthday - Third Monday in February
- ▶ Memorial Day - Last Monday in May
- ▶ Independence Day - July 4
- ▶ Labor Day - First Monday in September
- ▶ Thanksgiving Day - Fourth Thursday in November
- ▶ Day after Thanksgiving - Fourth Friday in November
- ▶ Christmas Eve (½ day) - December 24
- ▶ Christmas Day - December 25

- ▶ One floating holiday earned January 1 each year
- ▶ One floating holiday earned July 1 each year

During the Christmas and New Year's holiday periods, the option of additional holiday leave will be subject to the approval of the President/CEO.

Employees whose typical workweek is not Monday through Friday will recognize the holiday on the actual calendar date of the holiday.

In all other programs, when a holiday falls on Saturday, the preceding Friday will be observed as a holiday. If a holiday falls on a Sunday, the following Monday will be observed as a holiday. If a holiday falls on a normal rest day other than Saturday or Sunday, compensatory leave will be allowed within the policies of compensatory time. Part-time employees earn and receive paid holiday hours on a prorated basis in proportion to the percentage of full-time employment. For example, an employee who is employed 24 hours per week or 48 hours per pay period is employed 60% of a full-time position. If a holiday is taken as a regular holiday the person would take 4.8 hours (60% of 8 hours) as a holiday. If he or she had been regularly scheduled to work more hours on that day and takes the holiday off, then he or she would be required to supplement their prorated holiday hours with accrued vacation or compensatory time to equal the actual hours scheduled for that day. If an employee works on a holiday he or she will be granted holiday hours equal to the greater of an hour for hour for each hour worked or their prorated share.

### **Work on a Holiday**

An employee who is required to work on a holiday because of his or her regular schedule or because of an emergency will be paid at his or her regular rate of pay for each hour worked and also receive an hour of compensatory time for each hour worked.

An employee who is not scheduled to work on a holiday but who is required to do so will be paid at an hourly rate of 1 ½ times his or her normal hourly rate *and* also earn an hour of compensatory time for each hour worked.

See also Overtime and Compensatory Time policy.

### Other Leave

Leave for emergencies, education or other special circumstances will be subject to the approval of the President/~~or~~ CEO.

Except under the provisions of Family and Medical Leave, leave without pay is rarely granted, and must be approved in advance by the President/~~or~~ CEO. All annual leave and compensatory leave and, if appropriate, sick leave must be used before leave without pay is granted.

An ~~liberal~~ unscheduled leave policy will be followed to allow for the observance of religious holidays.

See also Jury and Witness Duty, Bereavement Leave, and Family and Medical Leave policies.



**Policy:** Quality Improvement  
**Section:** Administration  
**Policy Date:** 01/01/2002  
**Date(s) Revised:** 1/12/2004, 03/13/2006  
**Number of Pages:** (5) **REVISED**

**Policy Number:** 1-Q1  
**This Policy Applies to:**  
▶ The agency.

## PURPOSE

Pathway Homes is committed to improving the quality of planning processes, operation and service delivery.

## POLICY

Pathway Homes shall collect and use information which is used to improve the quality of planning processes, operations and service delivery. Pathways shall develop and sustain a comprehensive and integrated quality improvement system that ~~continually includes procedures for~~ assesses the assessment of the needs and preferences of individuals served, ~~assessment of the~~ community needs, ~~ongoing assessment of~~ the quality, cost, and utilization use of services, and measures measurement of the service outcomes ~~of services~~. Pathways shall use the information ~~gained from outcomes analysis for ongoing process of planning, monitoring, evaluating and improving services continuous quality improvement.~~

## PROCEDURE

### An Ongoing Process

Pathways quality improvement program shall include a system and process that supports Pathways ability to gather information and use it to compare actual progress to projected goals and objectives. In order to accomplish this, a continuous process of quality improvement shall include the ~~ongoing implementation of annual performance improvement planning development of an Annual Performance Improvement Plan, collection of information, analysis of the information annually, and the development of and~~ a an annual Mmanagement report. Summary.

The ~~Annual~~ Performance Improvement SystemPlan



The ~~Pathways~~Annual Performance Improvement ~~System~~Plan consists of the following organizational plans: Service Delivery Plan, Business Functions Plan, Cultural Diversity and Competence Plan, Accessibility Plan, Information Technology Plan, Risk Management Plan, and the Strategic Plan. The system shall be supported by the strategic planning process, and shall identify specific organizational goals, as well as and program goals and objectives ~~The plan shall~~Organizational outcomes shall identify goals and performance related to input from persons served through annual surveys, and cultural competence identified by Leadership Team and evaluated at least annually. The plan shall identify needed personnel and resources, reference the authorized budget where appropriate, and address methods to secure revenue to support the performance improvement ~~system.~~ plan.

Pathways may use any necessary combination of the following documents to support the implementation of continuous quality improvement efforts.

- ▶ An environmental scan or needs assessment.
- ▶ Waiting list information.
- ▶ ~~An annual performance improvement plan.~~Organizational Plans
- ▶ An annual management summary.
- ▶ Contract and regulatory requirements.
- ▶ Research findings and field trends.
- ▶ Budget.
- ▶ Utilization reports.
- ▶ Information gathered from input from the persons served.
- ▶ ~~Cultural competency plan.~~Information from employee and other stakeholder feedback.
- ▶ ~~Periodic, or quarterly outcomes management reports.~~

Pathways shall monitor the implementation of the Performance Improvement ~~System~~Plan on an ongoing basis and make adjustments as needed.

#### ~~Collection of Information~~Data Collection

Information shall be gathered from both internal and external sources. Information collected shall allow Pathways to scan the environment, assess patterns of utilization of services, and respond to consumer needs, waiting list sizes, requirements of funding sources and regulatory bodies,

program development opportunities, and field trends, including research findings. The information collected shall also be used to advocate for program or systems change, support staff retention efforts, and define achieve our organizational and program goals.

### Analysis of Information

The information collected shall be integrated with Pathways other systems to identify key indicators for decision making, including: input form persons served, fiscal data, clinical information, human resource capabilities, and information technology.

### Management Summary Report

A Management Report Summary shall be prepared annually and shall report on the extent to which established organizational outcomes ~~the Annual Performance Improvement Plan was/were~~ achieved. The ~~summary shall report on~~ report shall outline results of the outcome management system, compare actual performance to expected performance ~~as reflected in the performance improvement plan, and~~ demonstrate the use of results in overall improvement of Pathways, ~~and lead to updating the performance improvement plan. The management summary shall address each core program, the extent to which the program is meeting or not meeting the established measures of effectiveness, efficiency, and consumer satisfaction.~~

The Management Summary Report, or a version of it (Stakeholder Report), shall be distributed to those who can best use the information as determined by Pathways governance authority, which may include, but is not limited to: Pathways employees, Pathways Board of Directors, individuals served, funding sources, and referral sources.

### Outcomes Management

Pathways outcomes management system shall address include measures of effectiveness, efficiency, access, and satisfaction, ~~for each of the core programs~~. Measures shall, whenever possible, be expressed in numerical and operationalized terms such as number, frequency, or percentages, ~~or duration and are expressed in relative terms~~.

Satisfaction measures shall be oriented toward consumers, personnel, and may periodically be oriented toward family members, the community, and funding sources. Examples include, but are not limited to: ~~use of informed choices about modes of treatment~~ time spent with counselors,

satisfaction with physical facilities, ~~fees, access, service effectiveness, overall feelings of satisfaction~~ available housing options, and whether or not the person served was given hope and treated with dignity and respect. Effectiveness measures shall address the quality of care ~~by through~~ measuring change over time. Examples include, but are not limited to: maintenance of abstinence, community integration, reduction of hospitalization, reduction of symptoms, employment status, community tenure, quality of relationships, involvement in activities of daily living, and receipt of entitlement benefits. Efficiency measures shall be administratively oriented. Examples include but are not limited to: wait time for services, occupancy rates, cost per unit of service, convenience of service, length of stay, caseloads, and direct service hours of clinical staff.

Outcome goals shall be based on what consumers, service providers, purchasers of services, and Pathways Board of Directors need to know in order to evaluate, improve, and market services, and shall be consistent with the values and mission of Pathways.

The outcomes management system shall measure outcomes when services begin, during the provision of services, when the person leaves the program when possible, and at an identified point in time after transition from services. Post-discharge outcome information shall include obtaining evaluation of the programs by the persons served, collecting clinical information that compares the current status of the person served to their status at discharge. The ~~S~~ service ~~D~~ delivery ~~I~~ improvement and Business Functions plans shall identify the specific data collected as well as the modes of collecting such information. ~~Pathways shall employ various methods to attempt to obtain a high response rate from individuals served.~~

### Quality Records Review

Pathways' Peer Review Committee shall systematically review ~~a sampling of the~~ current and closed records of the persons served on a quarterly basis, ~~which shall to~~ evaluate the quality, appropriateness, and utilization of the services provided. The information collected from the review process shall be reported to applicable staff, summarized quarterly, ~~and~~ used to identify training needs, ~~and to improve the quality of services~~. In addition, ~~an bi-annual~~ report that identifies trends shall be ~~provided to the clinical management team for discussion and recommendations to improve the quality of records~~ included in the annual Management Report.

The quarterly record review shall address whether the individuals served were provided with a complete orientation, and whether they were actively involved in making informed choices

regarding the services they received. The review shall also evaluate the thoroughness, completeness, and timeliness of all assessments and service plans, and whether the goals and service plan is based on the results of the assessment, and input from the individual served. The record review shall also evaluate whether or not the actual services provided were related to the goals and objectives stated in the service plan.

### Information Technology Plan

Pathways utilizes an Electronic Health Record (EHR) system to collect and track clinical outcomes. The Information Technology Plan outlines the full range of Information Technology systems that support Pathways outcomes management processes.

~~and has identified in its strategic plan, the need to further develop its information technology infrastructure while being mindful of the need to maintain the security of its current information technology systems. Pathways is committed to ensuring the security of confidential electronic information and supports its information management systems through:~~

- ~~➤ Policies and procedures regarding the use of the Internet and electronic mail, and facsimiles.~~
- ~~➤ Password protection for electronic records stored on disks.~~
- ~~➤ Back-up of electronic records maintained at the administrative office, at an off-site location once a week, and on rotating discs several times a week.~~
- ~~➤ Ongoing training of staff with regard to the requirements of the Health Information Portability and Accountability Act (HIPAA) Security Rule and applicable sanctions for violations.~~
- ~~➤ The use of adequate virus protection software.~~
- ~~➤ Development of software compatibility.~~

See also ~~*Use of Facsimile Machines, Use of Internet and Electronic Mail, Service Record*~~  
~~*Security*~~ *Service Records, Information Technology Systems* policies, and *Information Technology*  
*Plan*



**Policy:** Service Records  
**Section:** Programs and Services  
**Policy Date:** 01/01/85  
**Date(s) Revised:** 04/08/02; 07/16/2012  
**Number of Pages:** (16 ) REVISED

**Policy Number:** 5-S3

**This Policy Applies to:**

- ▶ DBHDS licensed programs.

## PURPOSE

This policy establishes Pathway Homes' commitment to maintaining comprehensive, up-to-date records for each individual served and to ensuring the security and confidentiality of such records at all times. This policy also establishes the rights of individuals served and Pathway Homes' responsibilities concerning access to and amendment of service records.

### I. SERVICE RECORDS SECURITY

Pathway Homes shall prevent unauthorized uses and disclosures of confidential information and shall create, use, store, transmit, and transport confidential information in a secure manner according to the following guidelines.

## PROCEDURES

1. All personal identifying information pertaining to individuals served shall be considered confidential. Pathway Homes shall comply with any relevant privacy and security regulations of the Health Insurance Portability and Accountability Act (HIPAA) in communicating protected health information, and shall implement reasonable and appropriate administrative, organizational, technical, and physical safeguards to protect the confidential health information of individuals served.
2. All active hard copy clinical documentation will be locked in a filing cabinet at the primary work site of the primary counselor/case manager. The primary counselor/case manager is responsible for protecting this information against loss, defacement, tampering, or use by unauthorized persons. Closed records are stored in a locked, secure location for a period of six years.
3. Pathway Homes maintains computerized systems that contain confidential information pertaining to individuals served. These systems are networked to the server in the administrative office and are intended only to be used for agency use. All files and

confidential information must be saved on the agency network and not on the hard drive of the user's computer or removable storage media except in specified circumstances as outlined in the Pathway Homes Information and Technology Policy. Any alterations to electronic records shall only be made by staff authorized to do so and are tracked by the HIPAA log in the Credible software system.

4. In the event that hard copies of confidential clinical information have to be transported between locations, the information shall be placed in a sealed envelope, marked "confidential", and transported in a locked compartment of the vehicle.
5. The primary counselor/case manager shall be responsible for ensuring that service records are maintained in compliance with Virginia Department of Behavioral Health and Developmental Services (DBHDS), Commission on Accreditation of Rehabilitation Facilities (CARF), etc. In the event that Pathway Homes discontinues operation, all records of individuals served shall be transferred to an eligible entity as directed by licensure.

## **II. USES AND DISCLOSURES OF CONFIDENTIAL INFORMATION**

It is Pathway Homes policy that each individual is entitled to have all identifying information that Pathway Homes maintains or is aware of about him or her to remain confidential. Each individual has a right to give authorization before any information is used or disclosed unless another law, federal regulation, or this policy specifically requires Pathways to disclose the information.

### **PROCEDURES**

Routine disclosures are those made on a regular basis and are subject to the procedures within this policy and the following minimum necessary standard.

Pathway Homes shall ensure that the amount of information disclosed is restricted to the minimum necessary to accomplish the intended purpose of the disclosure, and that any request for confidential information is limited to that which is reasonably necessary to accomplish the purpose for which the request is made. Pathway Homes shall not disclose or request an entire service or medical record unless the entire record is specifically justified as the amount reasonable necessary to accomplish the purpose of the use or disclosure request.

Only Pathway Homes' workforce members who need to create, use, view, read, transmit, or store confidential information to carry out the duties of their positions shall access the necessary confidential information.

For all non-routine disclosures, Pathway Homes shall limit the request to the information reasonably necessary to accomplish the purpose for which the request is made and shall review these requests on an individual basis.

If a service record pertains in whole or in part to referral, diagnosis, or treatment of substance abuse, Pathways shall disclose information only according to applicable federal regulations (see U.S. Code (USC) 42CFR Part 2).

Pathway Homes shall provide each individual served and his authorized representative, if appropriate, a copy of Pathways Notice of Privacy Practices that includes how information can be disclosed and how others might get information about the individual without his consent.

Pathway Homes shall encourage individuals served to provide authorizations to disclose information about his or her general condition or well-being to family members, friends or others.

#### **Authorization to Use or Disclose Information**

1. Confidential clinical information shall not be disclosed to anyone who is not a Pathway Homes workforce member who is involved in the services of the individual or in the operations of Pathway Homes, unless a prior authorization is signed by the individual served or the authorized representative, or another state or federal law requires such a disclosure. A separate authorization specific to substance abuse (42 CFR) is necessary for disclosure of any information pertaining to substance abuse.
2. Pathway Homes shall not condition the provision of mental health services or other healthcare related services on the giving of any authorization to use or disclose information.
3. Prior to any disclosure, Pathways shall get verification of the identity of the person making the request, and his or her authority to have access to the information requested.
4. The authorization for the disclosure of information shall not be combined with any other document to create a compound authorization, will be written in plain language, and will include:
  - A. A description of the information to be used or disclosed;



- B. The name of the organization or other specific identification of the person(s), or class of persons, authorized to make the requested use or disclosure;
  - C. The name or other specific identification of the person(s), to whom Pathway Homes may make the disclosure;
  - D. A description of each purpose of the requested use or disclosure;
  - E. An expiration date; usually not to exceed one year;
  - F. Signature of the individual and date. If the authorization is signed by the individual's authorized representative, a description of the authorized representative's authority to act for the individual must also be provided;
  - G. A statement of the individual's right to revoke the authorization and a description of how that may be accomplished;
  - H. A reference to Pathway Homes' Notice of Privacy Practices;
  - I. A statement that informs the individual that Pathway Homes is not allowed to condition the provision of mental health support services or other healthcare related services on the giving of any authorization to use or disclose information;
  - J. A statement that informs the individual that there is potential for information disclosed pursuant to the authorization to be subject to re-disclosure by the recipient and no longer protected by federal privacy rules.
5. All signed authorizations shall be retained in the individual's services record, and a copy provided to the individual or their authorized representative.
6. Individuals can revoke an authorization at any time, except to the extent that Pathways has taken action in reliance on the authorization. Any revocation of an authorization to use or disclose information shall be documented in the individual's service record.
7. When Pathways discloses information, a statement shall be attached that informs the person receiving the information that it must not be disclosed to anyone else unless the individual consents or unless the law allows or requires further disclosure, and documentation shall be made in the individual's service record of the date of the disclosure; the name of the entity or person who received the information, and if known the address of that entity or person; a description of the information disclosed, and the purpose of the disclosure, or a copy of the written request for the disclosure.

8. Approval for duplicating for the purposes of disclosing hard-copy information from an individual's service record is subject to the following:
- A. Receipt of a written request by the person or agency seeking the information stating the reason(s) for the request.
  - B. As appropriate, a written authorization of the individual or the individual's authorized representative, or court order.
  - C. Verification of the identity of the person making the request, if it is not known, and his or her authority to have access to the information requested.
  - D. Consultation with supervisor.
  - E. Documentation in the individual's services record of the date of the disclosure; the name of the entity or person who received the information, and if known the address of that entity or person; a description of the information disclosed, and the purpose of the disclosure, or a copy of the written request for the disclosure.

9. Accidental disclosure of any protected health information (breach) must be reported to a supervisor and the Privacy Officer.

10. The Privacy Officer shall maintain a record of breaches in the agency and provide a full report of all breaches to the Office of Civil Rights at the end of each year as required by the HEARTH Health Information Technology for Economic and Clinical Health (HEARTH) - Act and HIPAA regulations.

### **Uses and Disclosures When No Authorization is Required**

There are circumstances when Pathways may use or disclose confidential information without an authorization. In certain circumstances, Pathways may elect to request an authorization from the individual prior to disclosing information, knowing that under certain circumstances, Pathways may be required by law or may elect to disclose the information without the authorization. If the disclosure is not required by law, Pathways shall give strong consideration to any objections from the individual or his authorized representative in making the decision to disclose information. The circumstances for disclosing substance abuse information without an authorization are more restrictive and are governed by federal regulations USC 42CFR Part 2 (see section B below).

If information is disclosed without consent, to anyone other than DBHDS, the Community Services Board (CSB) or to another service provider, Pathway Homes shall put a written notation of

the information disclosed, the name of the person who received the information and his or her address if it is known, the purpose of disclosure, and the date of disclosure permanently in the individual's services record prior to the disclosure, and provide this information in writing to the individual or his authorized representative. If the disclosure situation is an emergency, this documentation shall be made promptly afterward.

1. Criteria for disclosure without an authorization exclusive of substance abuse:

A. Emergencies:

Pathways may disclose information upon a good faith belief that the disclosure is necessary to prevent or lessen a serious and imminent threat to health or safety of a person or the public, to a person who is reasonably able to prevent or lessen the threat, including the threat's target. Pathways shall communicate only those facts necessary to alleviate the potential threat.

B. Providers or Health Plans:

1. Pathway Homes may disclose to any full or part-time employee, agent or contractor of Pathways, or to DBHDS or the CSB, information required to provide give services to the individual or to get payment for services.
2. Disclosure of certain limited information may be made to insurance companies and other third party payers.

C. Court Proceedings:

If an individual, or someone acting for him, introduces any aspect of his mental condition or services as an issue before a court, administrative agency, or medical malpractice review panel, Pathways may disclose any information relevant to that issue. Pathways may disclose any records if they are properly subpoenaed, if a court orders them to be produced, or if involuntary commitment or certification is being proposed or conducted (see sections on "Court Orders" and "Privileged Communication.").

D. Legal Council:

Pathway Homes may disclose information to the agency's legal counsel, or to anyone working on behalf of the legal counsel.

E. Human Rights Committees:

Pathway Homes may disclose to the Local Human Rights Commission and the State Human Rights Commission any information necessary for the conduct of responsibilities under human rights regulations.

F. Others authorized or required by the Commissioner, CSB, or private program director:

1. Pathway Homes may disclose information to other persons if authorized or required by one of the above, for the following activities:
  - a. Licensing, human rights, or certification or accreditation reviews;
  - b. Hearings, reviews, appeal or investigation under the human rights regulations;
  - c. Statistical reporting;
  - d. Preauthorization, utilization reviews, financial and related administrative services reviews and audits; or
  - e. Other similar oversight and review activities.

G. Preadmission screening, services and discharge planning:

Pathway Homes may disclose to DBHDS, the CSB or to other providers information necessary to prescreen individuals or to prepare and carry out a comprehensive individualized services or discharge plan.

H. Protection and Advocacy:

Pathway Homes may disclose to the protection and advocacy agency in accordance with that agency's legal authority under federal and state law any information that may establish probable cause to believe that an individual has been abused or neglected and any information concerning the death or serious injury of an individual while receiving services.

I. Historical Research:

1. Pathway Homes may disclose information to persons engaging in bona fide historical research if all of the following conditions are met:
  - a. The President/CEO authorized the research;
  - b. Pathway Homes obtains documentation that a waiver in whole, or in part of the required authorization has been approved by an Institutional

Review Board (IRB) as defined by HIPAA, or a privacy board which meets certain conditions specified within HIPAA;

- c. The individual or individuals who are subject of the disclosure are deceased;
- d. There are no known living persons authorized by law to consent; and
- e. The disclosure would in no way reveal the identity of any person who is not the subject of the historical research.

J. Protection of the public safety “Duty to Warn”:

If an individual makes a specific threat to cause serious bodily injury or death to an individual and the agency believes the individual has the intent and ability to carry out the threat immediately or imminently, Pathway Homes may disclose facts necessary to alleviate potential threat.

K. Inspector General:

Pathway Homes may disclose to the Inspector General any individual services record and other information relevant to the provision of services.

L. Virginia Patient Level Data System

Pathway Homes may disclose financial and services information to Virginia Health Information as required by law.

M. Psychotherapy notes:

- 1. Pathway Homes may disclose psychotherapy notes for internal training purposes to students and mental health practitioners who are being taught under supervision to practice or improve their skills in counseling.
- 2. Pathway Homes may disclose psychotherapy notes to defend the agency or its employees against accusations of wrongful conduct.

N. Law enforcement official:

- 1. Pathway Homes may disclose information to law enforcement pursuant to a search warrant or grand jury subpoena.
- 2. In response to a law enforcement request, for the purpose of identifying or locating a suspect, fugitive, individual required to register as a sex offender, material witness, or missing persons, Pathway Homes may disclose only the following information about the individual:

- a. Name and address;
  - b. Date and place of birth;
  - c. Social security number;
  - d. Blood type;
  - e. Date and time of treatment received;
  - f. Date and time of death;
  - g. Description of distinguishing physical characteristics; and
  - h. Type of injury sustained by the individual.
3. Pathway Homes may disclose information to law enforcement if there is reason to suspect that such death may have resulted from criminal conduct.
  4. Pathway Homes may disclose information to law enforcement if there is reason to believe the information disclosed constitutes evidence of a crime that occurred on the agency's premises.
- O. Other:
1. Pathway Homes may disclose confidential information to other public health authorities as required by law for the purposes of preventing or controlling disease, injury, or disability, including the reporting of disease, injury, vital events such as birth or death, and the conduct of public health surveillance, public health investigations, and public health interventions.
  2. Pathway Homes may disclose confidential information to a health oversight agency, as defined by HIPAA, for oversight activities as required by law. Examples of these oversight agencies include the Office of Civil Rights, The Department of Justice, the Department of Health and Human Services, Center for Medicare and Medicaid Services, DBHDS, the Department of Housing and Urban Development, and the Department of Social Services.
  3. Pathway Homes may disclose confidential information to a coroner or medical examiner for the purpose of identifying a deceased person, determining cause of death, or other duties authorized by law.
  4. Pathway Homes may disclose confidential information to funeral directors, consistent with applicable law, as necessary to carry out their duties with respect to the decedent.

5. Pathway Homes may disclose confidential information as required by law, for certain reasons of national security or protective services of the President of the United States.

6. Pathway Homes may use confidential information for health care operation activities of the agency. These activities may include evaluating staff and provider performance, reviewing the competence or qualifications of health care professionals, conducting or arranging for medical review, legal services or auditing functions, business management and general administrative activities including and conducting quality assessments and improvement activities.

~~6.7.~~ Pathway Homes may disclose confidential information if the individual has been deceased for more than 50 years.

2. Criteria for disclosure of substance abuse information without an authorization:

A. Medical emergencies:

Pathways may disclose information to medical personnel to the extent necessary to meet a bona fide medical emergency.

B. Administrative/management oversight:

Pathways may disclose information to qualified personnel for the purpose of conducting audits and program/agency evaluations, but such personnel may not identify, directly or indirectly, any individual in any report.

C. Crimes committed on agency property:

Pathways may disclose information to law enforcement which is directly related to an individual's commission of a crime, or threat to commit such crime, on agency property or against an agency employee. The information disclosed is limited to the circumstances of the incident, including status of the individual within the program, his/her name and address, and the individual's last known whereabouts.

D. Suspected child abuse or neglect:

Pathways may disclose information to Child Protective Services (CPS) as required by state law. However restrictions continue to apply to the individual record (refer to federal regulations USC 42CFR Part 2.)

E. Other:

The federal regulation USC 42CFR Part 2 has complicated criteria. Therefore anytime a request for information is made that does not clearly fit within this policy's guidelines, staff should consult with a supervisor and/or the agency's Privacy Officer.

### **Court Orders for Confidential Information**

In the event of a court order to release information from an individual's record Pathways will first determine if the information is related to substance abuse and therefore protected under federal law (USC 42CFR Part 2). If protected under 42 CFR, Pathway Homes will comply with all applicable federal guidelines. If information is not related to substance abuse the following procedures apply:

1. Pathways shall notify the individual or individual's authorized representative of the court order and attempt to obtain a written release to duplicate and disseminate the record.
2. Pathway Homes' President/CEO or designee may consult with Pathways' legal counsel.
3. Pathways shall ensure that the individual's services record is copied with appropriate safeguards for confidentiality.
4. The copy of the record, in whole or in part, shall be sealed in an envelope clearly labeled as confidential.
5. A receipt shall be obtained from the person to whom the record was delivered.
6. Documentation shall be made in the individual's services record of the information disclosed, the name of the person who received the information and his or her address if it is known, the purpose of disclosure, and the date of disclosure ([See also Subpoenas, Search Warrants, Investigations and Other Legal Action Policy](#)).

### **Privileged Communication**

Privileged communication refers to any information a practitioner in a professional capacity may have acquired about an individual through the provision of services. Except at the request of or with the consent of a individual, no licensed professional counselor, licensed clinical social worker, or licensed psychologist shall be required in giving testimony as a witness in any civil action to disclose any information communicated to him in a confidential manner, properly entrusted to him in



his professional capacity and necessary to enable him to discharge his professional or occupational services according to the usual course of his practice or discipline (Code of Virginia § 8.01-400.2).

In the event that a Pathway Homes employee must testify in a civil matter without the individual's authorization, he should assert privilege by respectfully stating that he believes the information in question is privileged communication and allow the court to rule that he must answer questions.

If, in the course of testimony, a clinician is asked to reveal substance abuse related individual information, he should respectfully inform the judge that special federal law (USC 42CFR Part 2) applies to such information and request the opportunity to seek legal counsel or allow the court to rule that he can disclose the protected information.

### **Sequestering of Records**

It is extremely important to have complete and accurate clinical information at all times, especially in connection with malpractice claims or investigations. Pathway Homes will ensure that medical records submitted for review do not have missing or adulterated documents.

1. Upon receipt of notification, or if there is reason to believe that a claim has been filed, immediately sequester the client's entire record. An independent staff person (at least one removed from the client) must review the record and write a summary of general findings.
2. Make a copy of the clinical record. If the client is deceased, it is not necessary to make copies unless a claim is filed. Sequester the record, paginate it, and hold it for at least two years.
3. Return the COPY of the clinical record to the program site to be used for continued clinical care of the client. New original data can be added to the file in circulation.
4. Paginate the original record by numbering the sequestered pages of the record from oldest to newest using indelible ink.
5. Keep the paginated original record under lock and key in the administrative safe for at least two years after the incident.
6. Copies of the original record may be sent to the claimant's attorney, provided consent is obtained. If the client or the client's designee, authorized by the client, requests to review the sequestered original records, he/she may do so only in the presence of an authorized Pathway Homes employee.

7. The same requirements for documentation of care and protection of information that apply to paper records, apply equally to electronic health records (EHR). The EHR must immediately be electronically locked and/or stored to prevent alteration and loss of evidence.

### **III. AMENDMENT OF RECORDS BY INDIVIDUALS SERVED**

Pathway Homes shall protect the rights of individuals to access and amend their service records. See Appendix for definitions relevant to this policy.

#### **PROCEDURES**

1. Each individual served has a right to see, read, and get a copy of his or her own service record, in paper or electronic format, and to provide amendments to the service record if necessary.
2. An individual or his or her authorized representative may request to see, read, and get a copy of his or her own service record. Although it is not required, the individuals will be encouraged to provide this request in writing. This request shall be dated and made to the individual's primary case manager or the case manager's supervisor. If an individual needs assistance with the written request, he may get help from his or her primary case manager.
3. If an individual refuses to provide the request in writing, the case manager shall document applicable information about the request in the service record, and provide this information to the agency Privacy Officer.
4. Upon a request by the individual or his or her authorized representative to see, read, and get a copy of the service record, Pathway Homes shall either grant the request in whole or in part, or deny the request within 15 days of the date of the request. Written documentation of the response of Pathway Homes to all requests by the individual to see, read, and get a copy of the service record shall be provided to the individual, and a copy kept in the individual's service record. All documentation of denials of requests shall be in compliance with HIPAA and Virginia State law, and shall:
  - A. Be in plain language;
  - B. Explain the basis for denial;
  - C. Explain any applicable appeals procedures;
  - D. Include the time limits and conditions for removal of the restriction;

- E. Explain that he or she can ask to have a lawyer, physician, or psychologist of his or her choice see the records. If the individual makes this request, Pathway Homes shall disclose the record to that lawyer, physician or psychologist;
  - F. Explain how the individual may make a complaint.
5. Pathway Homes shall, without charge, give individuals any help they may need to read and understand their service record and provide corrections to it.
  6. Pathway Homes may deny access to all or a part of an individual's service record only if a physician or a licensed psychologist involved in providing services to the individual: talks to the individual; looks over the service record as a result of the individual's request for access; and signs and puts in the service record permanently a written statement that he or she thinks access to the service record by the individual at this time would be physically or mentally harmful to the individual. The physician or licensed psychologist must also tell the individual as much about his or her service record as possible without risking harm to the individual.
  7. An individual or his authorized representative may request to amend the individual's service record. This request shall be dated and made to the individual's primary case manager or the case manager's supervisor in writing and include a reason supporting the request. If an individual needs assistance with the written request, he may get help from his or her primary case manager. Pathway Homes shall investigate and provide to the individual or authorized representative, and file in the service record, a written response concerning the individual's request within 60 days of the date of the request.
    - A. If the report finds that the service record is incomplete, inaccurate, not pertinent, not timely, or not necessary, Pathway Homes shall:
      1. Inform the individual that the amendment was made;
      2. Either mark that part of the service record clearly to say so, or else remove that part of the service record and file it separately with an appropriate cross reference to indicate that the information was removed.
      3. Not disclose the original service record without separate consent or legal authority.
      4. After requesting information from the individual about the identification of other persons or entities who have received information from the service

record needing amendment, and obtaining the individual's authorization to notify these persons or entities of the amendment, promptly notify in writing all persons who have received the incorrect information that the service record has been amended and request that recipients acknowledge the amendment

B. If the response to the request is not satisfactory to the individual, Pathway Homes shall, upon request, file in the service record the individual's statement explaining his or her position. If needed, Pathway Homes shall help the individual to write this statement. If a statement is filed, Pathway Homes shall:

1. Give all persons who have copies of the record a copy of the individual's statement.
2. Clearly note in any later disclosure of the record that it is disputed and include a copy of the statement with the disputed record.

C. All documentation of denials of requests or amendment of a service record shall be in compliance with HIPAA and Virginia State law, and shall be:

1. In plain language;
2. Explain the basis for denial;
3. Explain the right to file in the service record a statement explaining his or her position, and right to request that Pathway Homes provide the request for amendment and the denial with any future disclosures of the disputed information.
4. Explain how the individual may make a complaint.

8. The designated agency Privacy Officer shall review, in consultation with involved agency staff and the President/CEO, and maintain copies of all documentation related to access or amendment of service records by individuals or their authorized representatives.

#### **IV. RECORDS MANAGEMENT AND DOCUMENTATION**

Each individual served by Pathway Homes shall have a separate record that is legible, thoroughly secure, and maintained in compliance with Pathway Homes *Record and Documentation Guidelines*. ~~—See Appendix.~~

#### **PROCEDURES**

All primary records, identified as the Clinical Record, shall be maintained in a locked filing cabinet at the primary worksite of the assigned mental health counselor or in the agency's Electronic Health Records system. The assigned mental health counselor shall be responsible for assembling and maintaining service records in compliance with all elements of the Pathway Homes *Records and Documentation Guidelines*, which details the frequency and formatting for updating and making entries into the service record. All service record entries shall be current, dated and authenticated by the individual making the entry

Retired Records are maintained for those individuals receiving services for greater than one year. These records contain clinical documentation more than one year old and expired authorizations, notices and trainings. Retired Records are maintained at the Pathway Homes main office.

A Closed Record is maintained for each individual having terminated services with Pathway Homes. The Closed Record is a consolidation of the Administrative, Clinical and Retired files and is maintained for a minimum of three years. Closed Records are maintained at the Pathway Homes main office.

## V. QUALITY RECORDS REVIEW

Pathway Homes Peer Review Committee (PRC) provides ongoing internal review and feedback on service records to ensure consistency, quality, timeliness, and compliance with state licensure regulations, and CARF accreditation requirements.

### PROCEDURES

The PRC reviews monthly, a random sampling of open and closed service records. The findings from the reviews are shared with appropriate staff and summarized each quarter as part of Pathway Homes' continuous quality improvement process.

See also *Information and Technology Systems, Quality Improvement, Subpoenas, Search Warrants, Investigations, and Other Legal Action, and Business Associate Agreements Policies* ~~*Policy*~~.

**Note**

This Service Records Policy is a consolidation of the following policies effective 7/16/2012: *Service Records Security, Uses and Disclosures of Confidential Information, Access to and Amendment of Service Records, Records Management and Documentation, and Service Records.*



**Policy:** Telework  
**Section:** Administration  
**Policy Date:** 04/11/2011  
**Date(s) Revised:**  
**Number of Pages:** (5)

**Policy Number:** 1-T1

**This Policy Applies to:**  
▶ The agency.

**REVISED**

## PURPOSE

The telework initiative has three primary purposes that will accommodate designated employees as well as the agency as a whole:

1. Allow employees in certain positions the ability to work from home or other designated locations.
2. Connect work sites with a secure web-based system that provides accessibility to shared files, calendars and other information that is pertinent to the operation of services. This alleviates the need to travel to different sites to perform certain job functions.
3. Provide information technology and communication avenues that will provide for continuity of operations in any type of emergency situation where going to the work site might not be possible.
- 3.4. Improve efficiency by providing opportunity for designated employees to work remotely during weather-related emergencies as deemed necessary.

## POLICY

Pathway Homes will maintain web-based information technology systems that make it possible for designated employees to work remotely and efficiently from home or other work sites, as deemed appropriate to the benefit of the agency.

## PROCEDURES

### Telework Agreement

1. Prior to the commencement of regular and recurring telework arrangements, supervisors and employees must complete and sign a Telework Agreement outlining the terms and conditions

of the arrangement, and review and sign a Safe Work Site Guideline. ~~The employee will also acknowledge that telework is not a substitute for dependent care.~~ The teleworker is expected to manage dependent care and personal responsibilities in the same manner as if he/she is working on-site, allowing him/her to successfully meet job responsibilities.

2. The Telework Agreement prescribes the approved alternative work site(s) and telework schedule (if applicable), and addresses personnel, security, and equipment issues.
3. ~~The employee and Pathway Homes will re-evaluate the Telework Agreement annually at the time of the employee's performance evaluation.~~ anytime the employee's role or employment status changes

### **Time and Attendance Record Keeping**

1. Time spent in a telework status must be accounted for and reported in the same manner as if the employee reported for duty at the traditional work site. Employees will record the number of hours spent in a telework status on their timesheet by using a special code. The codes to be used on the timesheets are TW(x hrs). TW followed immediately by the number of hours represents hours spent working under a teleworking arrangement.
2. Telework may be used in half or full work day blocks of time but may not be used in sporadic increments over the course of any one work day.
3. Employees who are non-exempt under the Fair Labor Standards Act (FLSA) are ineligible for telework arrangements due to the nature of these positions. Participation in a telework arrangement will not affect an employee's exempt FLSA status; employees will retain their exempt status.

### **Performance Management**

1. The performance and outcomes of a teleworker will be monitored in the same manner as all employees at the traditional work site. The performance standards are based on a results-



oriented approach and describe the quantity and quality of expected work products and the method of evaluation.

2. Teleworkers are required to complete all assigned work, consistent with the approach adopted for all other employees in the work group, and according to the standards and guidelines in the employee's performance evaluation.

### **Inclement Weather or Emergency Closings**

1. Pathway Homes' guidelines on weather and emergency closings generally follow the schedule of Fairfax County Government (for more information refer to the *Staffing During Severe Weather and Community-wide Emergencies Policy*).
2. ~~Unless previously scheduled and approved telework hours may remain in effect,~~ in situations where inclement weather would result in the use of unscheduled leave. Telework may also be scheduled in anticipation of inclement weather. In both instances the supervisor must clearly identify the quantity and quality of expected work and the method of evaluation. ~~, telework will not be an option for employees.~~
3. In situations where it is deemed necessary for the agency to close, all employees not designated as "emergency-essential employees" (including teleworking employees) are excused from work without loss of pay or charge to leave.

### **Workers' Compensation**

1. Employees who are directly engaged in performing the duties of their jobs are covered by Workers' Compensation regardless of whether the work is performed on the agency's premises or at an alternative work site during the established work hours.
2. An employee who incurs an incident must immediately inform his or her supervisor, and the Human Resources Office, who are required to file the claim and may be required to investigate the incident.

## **Liability for Telework at Home**

Pathway Homes will not be liable for damages to employee property, which result from participation in the Telework Program.

## **Reimbursement for Telework at Home**

Pathway Homes will not be responsible for operating costs, home maintenance, or any other incidental cost (e.g. utilities, supplies) whatsoever, associated with the use of the employee's home. In addition, Pathway Homes will not provide employees who telework, office supplies and other consumables to use when they telework at home. Employees cannot take supplies or consumables from any Pathway Homes' office or program to use in a telework at home situation. The employee is responsible for ensuring that the hardware and software on the computer in his/her telework location is compatible with the hardware and software on the Pathway Homes' computer network. Pathway Homes will not be responsible for updating or modifying the hardware or software on the employee's computer at home or other telework location.

## **Security Issues**

The employee will apply approved safeguards to protect records belonging to Pathway Homes from unauthorized disclosure or damage. All records, papers and correspondence must be safeguarded for their return to the official location. Computerized files are considered official records and shall be similarly protected.

Hard copy client records and files, personnel records, and any other protected health information are not permitted to be taken from the on-site office in which they are housed, for the purposes of teleworking. In addition, original accounting documents, forms, check stock, and cash receipts, must not be removed from the on-site office in which they are housed.

Remote access to the Pathway Homes' computer network is allowed, based on supervisory approval. During a teleworking session, all files will be saved on the network and not on the hard drive of the computer being used, or to a disk or flash drive.

Employees will use strong passwords to access Pathway Homes' computer network from an offsite location, and take the same measures to protect them as they would on-site (*for more*

*information on strong passwords and Security Issues refer to the Information Technology Systems Policy).*

### **Accessibility**

The employee will be required to be fully accessible during the agreed upon business hours. The employee will be available as needed via telephone or other viable means, such as email, instant messaging, video calls, etc., during telework hours, in the same manner as when they are at the traditional work site.

The employee will be available to attend office meetings and events as required.

### **Designated Telework Days and Times**

The nature of the business at Pathway Homes requires a great deal of flexibility. Some of the operations within the agency are 24-hours per day and 7 days a week. It is therefore necessary to allow flexibility in the days and times selected for teleworking. No specific date or time will be arranged in writing, but will be worked out between the employee and supervisor on an as needed-weekly basis. The Telework Agreement signed by the employee and supervisor will represent that the employee is authorized to work in particular alternate locations, to include the employee's home.

The employee is required to request approval from his/her supervisor in advance if he/she intends to telework.

The nature of the work product that is expected for each instance of teleworking will be worked out between the employee and the supervisor in advance.

### **Changes to Telework Agreement**

Pathway Homes has the right to remove the employee from the program if continued participation fails to benefit the needs of the agency. Pathway Homes may modify this Telework arrangement, and/or may cease offering Telework arrangements, at any time for any reason.

*See also Information Technology Systems Policy and Severe Weather and Community-wide Emergencies Policy.*



## **TELEWORK AGREEMENT**

The following constitutes the terms and conditions of the telework agreement between Pathway Homes, Inc. and \_\_\_\_\_ (hereafter referred to as Employee).

Employee's designated permanent worksite is: \_\_\_\_\_

Employee is authorized under the telework initiative to work in the following alternative worksites:

- Employee's home office or work area

Address: \_\_\_\_\_

- Other: \_\_\_\_\_

Effective Date of this Agreement: \_\_\_\_\_

**Pay and Attendance:** All pay, leave and benefits will be based upon the employee's official classification. The employee is responsible for accurate and timely completion of time sheets.

### **Terms and Conditions for working at home**

**Liability:** Pathway Homes will not be liable for damages to employee property, which result from participation in the Telework Program.

**Reimbursement for Telework at Home:** Pathway Homes will not be responsible for operating costs, home maintenance, or any other incidental cost (e.g. utilities, supplies, hardware, software, etc.) whatsoever, associated with the use of the employee's home. In addition, Pathway Homes will not provide employees who telework, office supplies and other consumables to use when they telework at home. Employees cannot take supplies or consumables from any Pathway Homes' office or program to use in a telework at home situation.

**Dependent Care:** The Telework arrangement is not a substitute for dependent care. The employee is expected to manage dependent care and personal responsibilities in the same manner as if working on-site, and successfully meet job responsibilities.

**Security Issues:** The employee will apply approved safeguards consistent with Pathway Homes' policies and procedures, to protect records belonging to Pathway Homes from unauthorized disclosure or damage. All records, papers and correspondence must be safeguarded for their return to the official location. Computerized files are considered official records and shall be similarly protected.

Hard copy client records and files, personnel records, and all other protected health information are not permitted to be taken from the on-site office in which they are housed. In addition, original accounting documents, forms, check stock, and cash receipts, must not be removed from the on-site office in which they are housed. Remote access to the Pathway Homes' computer network is allowed, based on supervisory approval. During a teleworking session, all files will be saved on the network and not on the hard drive of the computer being used, or to a disk or flash drive.

Employees will use strong passwords to access Pathway Homes' computer network from an offsite location, and take the same measures to protect them as they would on-site.

**Inclement Weather or Emergency Closings:** Pathway Homes guidelines on weather and emergency closings ~~generally~~ follow the schedule of Fairfax County Government. In situations where it is deemed necessary for the agency to close, all employees not designated as "emergency essential employees" (including teleworking employees) are excused from work without loss of pay or charge to leave. ~~Unless previously scheduled and approved telework hours may remain in effect in situations where inclement weather would result in the use of liberal-unscheduled leave, telework will not be an option for employees. Telework may also be scheduled in anticipation of inclement weather. The supervisor must clearly identify the quantity and quality of expected work and the method of evaluation.~~

**Accessibility:** The employee will be as accessible as their on-site counterparts during the agreed upon business hours. The employee will be available to attend office meetings and events as required.

**Workers' Compensation:** Employees who are directly engaged in performing the duties of their jobs are covered by Workers' Compensation regardless of whether the work is performed on the agency's premises or at an alternative work site during the set work hours. The employee must immediately inform his or her supervisor, and the Human Resources Office, who are required to file the claim and may be required to investigate the incident.

### Changes to Telework Agreement

~~The employee and Pathway Homes will re-evaluate the Telework Agreement annually at the time of the employee's evaluation.~~ Pathway Homes may modify this Telework Agreement, and/or may cease offering Telework arrangements, at any time for any reason.

I understand and agree to abide by the policies and regulations related to the Telework Program provided by Pathway Homes. I further understand and agree that the Telework arrangement, and my performance under this agreement, will be regularly monitored, and Pathway Homes may terminate and/or modify the arrangement and agreement at any time.

---

Employee (*Print and Sign Name*)

Date

---

Supervisor (*Print and Sign Name*)

Date

---

President & Chief Executive Officer

Date

*The original of this document will be kept in the employee's personnel file.*

## TELEWORK: SAFE WORK SITE GUIDELINES

The employee understands that a safe work site is expected to meet the following criteria:

1.	The alternate work site is reasonably quiet.
2.	All stairs with four or more steps have handrails.
3.	Electrical equipment is free of recognized hazards that would cause physical harm such as frayed wires, bare conductors, loose wires, flexible wires running through walls, exposed wires fixed to the ceiling.
4.	Electrical outlets are three pronged (grounded).
5.	Aisles, doorways and corners are free of obstructions to permit visibility and movement.
6.	File cabinets and storage closets are arranged so that drawers and doors do not open in to walkways.
7.	Work chair provides proper support. It should be adjustable for height, seat tilt, and have armrests. The base should provide movement with minimal effort while keeping the chair and occupant from falling or tipping.
8.	Frequently used objects (phone, reference materials) should be within easy reach to prevent repetitive stretching and/or turning.
9.	Monitors should be at eye level and about 18 to 24 inches away.
10.	When using the keyboard and mouse, shoulders should be relaxed with the upper arms resting at your sides. Hands should be in neutral position level with the wrists.
11.	Phone lines, electrical cords and extension wires are secured under the desk or alongside the baseboard.
12.	Floor surfaces are clean, dry, level, and free of worn or frayed seams. Carpets are secured to the floor.
13.	The alternate work site is adequately ventilated.

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Employee (*Print and Sign Name*)

Date

---

Supervisor (*Print and Sign Name*)

Date

*This form must accompany the Telework Agreement for any employee who is authorized to telework.  
The original of this form will be kept in the employee's personnel file.*



**Policy:** Tuition Reimbursement Lottery  
**Section:** Personnel  
**Policy Date:**  
**Date(s) Revised:**  
**Number of Pages:** (2)

**Policy Number:** 2-T2

**This Policy Applies to:**  
▶ The agency.

## **PURPOSE**

Pathway Homes is committed to maintaining a highly educated and trained workforce. Pathway Homes encourages its employees to continue to develop professionally to the highest level possible. The Tuition Reimbursement Lottery seeks to support employees in their professional development.

## **POLICY**

The Pathway Homes Tuition Reimbursement Lottery is intended to offer employees financial support in keeping up-to-date on the latest trends, technologies, and knowledge in their field, and in acquiring or improving skills that can be integrated into the agency.

## **PROCEDURE**

Pathway Homes will implement a quarterly lottery to select one employee per quarter for tuition reimbursement. Employees must submit a request for entry into the lottery by the first day of each quarter (July, October, January, April). Only submissions for a career-related course completed within one year of that quarter will be eligible.

Completed entry forms are to be submitted to Human Resources and must include documentation that verifies receipt of a C or better grade, or documentation of successful completion of the course, in cases where there is no assigned grade for the completed course.

All eligible employees will be entered into the lottery each quarter. At each quarterly board meeting, the Chair of the Board will randomly select one eligible employee to receive reimbursement for that quarter.

Employees will be reimbursed for the cost of the completed course, but not to exceed that of current VA in-state tuition fees. Employees are only eligible to receive one reimbursement per fiscal year.



Pathway Homes will only reimburse for the tuition or training cost of the course taken. Pathway Homes will not reimburse for registration fees, books and supplies, and other associated

### **PROCEDURE**

Full time and part-time employees are eligible to participate in the lottery. Part-time employees will be reimbursed at a prorated rate.

Eligible employees must have worked for Pathway Homes for at least one consecutive year and be in good standing.

Members of Leadership Team are not eligible to participate in the lottery.

Employees participating in the tuition reimbursement program are fully responsible for any and all associated career-related costs not selected for reimbursement through the tuition reimbursement lottery.

Pathway Homes may modify the Tuition Reimbursement Lottery and/or may cease offering the Lottery at any time for any reason.

## 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**

***Special Meeting***

**Monday, July 14, 2014**

**7:00 P.M.**

**10201 Fairfax Blvd., Ste. 200**

**Fairfax, VA 22030-2209**



8:45 Call to Order

1. Motion to adopt the following resolution:

"RESOLVED: that Wayne Gardella is hereby elected as a director of the Corporation, effective immediately."

2. Motion to adopt 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."

3. Motion to adopt 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."

4. Motion to adopt the following resolution:

"RESOLVED: that the resignation of Wayne Gardella the Board of Directors of the Corporation is accepted, effective immediately."

5. Motion to adopt the following resolution:

"RESOLVED: that all prior acts of the Board of Directors are hereby ratified and confirmed."

6. Motion to adopt 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."

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 Homes, 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 July, 2014.

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Thomas Rowe, Secretary

**PATHWAY OPTIONS, INC.**  
**BYLAWS**

[Amended and Restated by the Board on July 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 14<sup>th</sup> day of July, 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**

### ***Special Meeting***

**Monday, July 14, 2014**

**7:00 P.M.**

**10201 Fairfax Blvd., Ste. 200**

**Fairfax, VA 22030-2209**

9:00 Call to Order

1. Motion to adopt the following resolution:

"RESOLVED: that Wayne Gardella is hereby elected as a director of the Corporation, effective immediately."

2. Motion to adopt 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."

3. Motion to adopt 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."

4. Motion to adopt the following resolution:

"RESOLVED: that the resignation of Wayne Gardella the Board of Directors of the Corporation is accepted, effective immediately."

5. Motion to adopt the following resolution:

"RESOLVED: that all prior acts of the Board of Directors are hereby ratified and confirmed."

6. Motion to adopt 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."

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").

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 Homes, 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 July, 2014.

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Thomas Rowe, Secretary

**PATHWAY VISIONS, INC.**  
**BYLAWS**

[Amended and Restated by the Board on July 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 14<sup>th</sup> day of July, 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**

#### ***Special Meeting***

**Monday, July 14, 2014**

**7:00 P.M.**

**10201 Fairfax Blvd., Ste. 200**

**Fairfax, VA 22030-2209**

9:15 Call to Order

1. Motion to adopt 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."

2. Motion to adopt 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."

3. Motion to adopt the following resolution:

"RESOLVED: that all prior acts of the Board of Directors are hereby ratified and confirmed."

4. Motion to adopt 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."



AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF

PATHWAY RECOVERY, INC.

ARTICLE I

NAME

The name of the corporation shall be Pathway Recovery, 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 three (3), 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/Secretary / Treasurer  
3722 Prince William Drive  
Fairfax, VA 22031

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

## 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, arbitral 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 Homes, Inc., Pathway Visions, Inc., and Pathway Options, 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 July, 2014.

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Jennifer McKenzie, Secretary

**PATHWAY RECOVERY, INC.**  
**BYLAWS**  
[Amended and Restated by the Board on July 14, 2014]

**ARTICLE I**  
**OFFICES**

**Section 1.** Principal Office. The principal office of Pathway Recovery, Inc. (hereinafter called the "Corporation") shall be located in the Commonwealth of Virginia.

**Section 2.** Other Offices. The Corporation may also have offices at such other places, both within and without the Commonwealth, as the Board of Directors may from time to time determine or the business of the Corporation may require.

**ARTICLE II**  
**PURPOSES AND LIMITATIONS**

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

a. To provide low- and moderate-income 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. The Corporation is not controlled, nor receives directions from individuals or entities seeking profit from the organization.

**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** **MEMBERSHIP**

The Corporation shall have no members.

### **ARTICLE IV** **BOARD OF DIRECTORS**

**Section 1.** Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors, which may exercise all such powers of the Corporation and do all such lawful acts and things as are not prohibited by statute or by the Articles of Incorporation or these Bylaws.

**Section 2.** Number and Election. The number of Directors which shall constitute the entire Board of Directors shall be three (3), which number may be increased or decreased by amendment to these Bylaws. At least one-third of Board Membership shall consist of resident(s) of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations. No decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director. Directors need not be residents of the Commonwealth of Virginia.

**Section 3.** Classes. The Board of Directors shall be divided into three (3) classes, and, when the number of Directors is changed the Board of Directors shall determine the class or classes to which the increased or decreased number of Directors shall be apportioned, provided that the number of Directors in each class shall be as nearly equal as possible. At each annual meeting of the Board of Directors, Directors elected to succeed those whose terms are expiring shall be elected for a term of office to expire at the third succeeding annual meeting of the Board of Directors and when his/her successor is elected and qualified or until his/her resignation or removal.

**Section 4.** Vacancies. Any vacancy occurring on the Board of Directors (including a vacancy resulting from an increase in the number of Directors) may be filled by the affirmative vote of a majority of the then members of the Board of Directors, although less than a quorum, and each Director so elected shall hold office for the remainder of the full term of the class of Directors in which the vacancy occurred and until his/her successor is elected and qualified or his/her earlier resignation or removal.

**Section 5.** Annual Meeting. A regular annual meeting of the Board of Directors shall be held without notice other than this Bylaw on the second Monday in **October** in each year or, if such date shall be a legal holiday, on the next succeeding business day at the same time, at the principal office of the Corporation, or on such other date or at such other time or place as shall be determined by the Board of Directors and designated in the notice of the meeting.

**Section 6.** Regular Meetings. The Board of Directors may provide by resolution the date, time and place for the holding of regular meetings, other than the annual meeting of the Board of Directors, without other notice than such resolution.

**Section 7.** Special Meetings. Special meetings of the Board of Directors may be called by the Chairperson. ~~upon ten days notice to each director, except as provided in Article. III, Section 11 hereof with respect to telephone meetings, and a special meeting shall be called by the Secretary on like notice upon the written request of two thirds of the number of directors then in office. Such meeting shall be held on such date and at such time and place as shall be designated in the notice of the meeting by the person or persons calling the meeting.~~ 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 8. Notice; waiver of Notice.** Whenever any notice of a meeting of the Board of Directors is required to be given under provisions of the Articles of Incorporation or these Bylaws, (a) such notice shall be given either personally, by telephone, by mail or by telegram, addressed to the director at his or her address as it appears on the records of the Corporation and, unless otherwise provided in these Bylaws, at least ten days before the date designated for such meeting, or (b) a waiver thereof in writing, signed by the person or persons entitled to such notice and filed with the records of the meeting, whether before or after the holding thereof, shall be equivalent to the giving of such notice. Notice shall be deemed given at the time when the same is personally delivered, deposited in the United States mail, with postage thereon prepaid, or delivered to a telegraph company. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. Presence at any meeting without objection also shall constitute waiver of any required notice.

**Section 8. Quorum and Vote at Meetings.** At any meeting of the Board of Directors, a minimum of two of the Directors in office shall be necessary and sufficient to constitute a quorum for the transaction of all business. A majority of two votes cast at a meeting of the Board of Directors, duly called and at which a quorum is present, shall be sufficient to take or authorize action upon any matter which may properly come before the meeting, unless the concurrence of a greater proportion is required for such action by statute, the Articles of Incorporation, or these Bylaws. If, at any meeting of the Board of Directors, there shall be less than a quorum present, a majority of those present may adjourn the meeting, without further notice, from time to time until a quorum shall be present. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

**Section 9. Action Without Meeting.** Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth such action, is signed by all of the Directors, and such written consent is filed with the minutes of proceedings of the Board. Such consent shall have the same force and effect as a unanimous vote.

**Section 10. Telephone Meetings.** Members of the Board of Directors, or any committee designated by the Board may participate in a meeting of such Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

**Section 11. Resignation and Removal of Directors.** Any Director may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the Chairperson or Secretary. The acceptance of a resignation shall not be necessary to make it effective. Directors may be removed with cause, 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 12.** Compensation and Reimbursement. Directors and members of any committee of the Board of Directors shall not be entitled to compensation for their services as Directors or committee members. Directors and members of any committee of the Board of Directors shall be entitled, to the extent authorized by the Board of Directors, to reimbursement for any reasonable expenses incurred in attending meetings of the Board or any committee of the Board, as the case may be.

## **ARTICLE V** **COMMITTEES OF DIRECTORS**

**Section 1.** Executive Committee. The Board of Directors may, by resolution adopted by a majority of the Directors in office, establish an Executive Committee to consist of two (2) or more Directors appointed by the Board of Directors. When the Board of Directors is not in session, the Executive Committee shall have and may exercise all of the powers of the Board of Directors, except to the extent, if any, that such authority shall be limited by resolution of the entire Board of Directors; provided, however, that neither the Executive Committee nor any other committee shall have the power to amend the Articles of Incorporation or these Bylaws of the Corporation.

**Section 2.** Other Committees. The Board of Directors may by a resolution adopted by a majority of the Directors in office, appoint from among its members one or more other committees, composed of two (2) or more Directors, for such purposes and powers as the Board of Directors may provide, except that no such committee or committees shall have or exercise the authority of the Board of Directors or the Executive Committee in the management of the Corporation.

**Section 3.** Tenure. Subject to the provisions of Section 9 of this Article IV, each member of the Executive Committee or any other committee shall hold office until the next regular annual meeting of the Board of Directors following his/her appointment and until his/her successor is designated by the Board of Directors.

**Section 4.** Meetings and Notices. Regular meetings of committees of the Board of Directors may be held without notice at such times and places as such committees, may determine from time to time by resolution. Special meetings of committees may be called by any member thereof upon not less than one day's notice stating the place, date, and hour of the meeting, which notice may be written or by telephone or telegram. The notice of a meeting of a committee need not state the business proposed to be transacted at the meeting. Any member of a committee may waive notice of any meeting thereof, either before or after the meeting, by signing a waiver of notice which shall be filed with the records of such meeting, or by attendance at such meeting.

**Section 5.** Quorum. A majority of the members of a committee shall constitute a quorum for the transaction of business at any meeting thereof. The vote of a majority of the members of a committee present at a meeting at which a quorum is present shall constitute action of the committee.

**Section 6.** Action Without a Meeting. Any action required or permitted to be taken at a meeting of a committee may be taken without a meeting if a written consent, setting forth the action so taken, shall be signed by all of the members of the committee and filed with the minutes of proceedings of the committee.

**Section 7.** Telephone Meetings. Members of committees may participate in a meeting by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other. Such participation shall constitute presence in person at the meeting.

**Section 8.** Vacancies. Any vacancy occurring on the Executive Committee may be filled by a resolution adopted by a majority of the Board of Directors in office. Any vacancy occurring on any other committee or committees may be filled by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present.

**Section 9.** Removal and Resignations. Any member of the Executive Committee may be removed at any time, with or without cause, by resolution adopted by a majority of the Directors in office. Any member of any other committee may be removed by resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Any member of a committee may resign from the committee at any time by giving written notice to the Board of Directors or the President or Secretary of the Corporation. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof.

## **ARTICLE VI** **OFFICERS**

~~Section 1. Positions. The officers of the Corporation shall be a Chairperson of the Board of Directors, a Vice Chairperson of the Board of Directors, a Chief Executive Officer, a President, a Secretary, and a Treasurer, and such other officers as the Board of Directors may appoint, including one or more Vice Presidents, Assistant Secretaries and Assistant Treasurers, 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.~~

~~Section 2. Election and Term of Office. Each officer of the Corporation shall be elected annually by the Board of Directors and shall serve for one year, and thereafter until his or her successor shall have been chosen and qualified or until his or her death, resignation, or removal. Election or appointment of an officer shall not itself create any contractual rights.~~

~~Section 3. Resignation and Removal. Whenever in their judgment the best interest of the Corporation will be served thereby, any officer may be removed with or without cause from office by the affirmative vote of a majority of the Board of Directors. Such removal shall not prejudice the contractual rights, if any, of the person so removed.~~

Any officer may resign at any time by delivering a written resignation to the Board of Directors, the Chairperson of the Board of Directors or the Secretary. Should a vacancy occur prior to election, the Chairperson of the Board of Directors shall appoint a successor to fill the unexpired term of said officer.

Section 4. 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 by the Board of Directors. In the absence of the Chairperson, the Vice Chairperson shall preside at meetings.

Section 5. 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 the 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 other powers as may be vested in the Vice Chairperson by 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 6. Chief Executive Officer. The Chief Executive Officer of the Corporation, together with the President, 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 Chief Executive Officer of the Corporation shall perform such other duties and have such other powers as may be vested in the Chief Executive Officer by the Board of Directors. The Chief Executive Officer (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.

The Chief Executive Officer shall be the Chief Administrative Officer of the Corporation and shall act under the direction and control of the Board of Directors. The Chief Executive Officer shall prepare and submit ten (10) days prior to any meeting an agenda of items which the Chief Executive Officer deems necessary and proper for consideration, including a suggested annual budget, and shall render such other reports as the Board of Directors may require from time to time.

Section 7. President. The President, together with the Chief Executive Officer of the Corporation, 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 Chief Executive Officer of the Corporation) 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 8. Vice President. In the absence of the President or in the event of the President's inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated, or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall have such other powers as may be vested in the Vice President by the Board of Directors. The Vice Presidents shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 9. 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 the 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 President, 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 officer's 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 10. 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 election), 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 11. Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, and shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Corporation as ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President, and to the Board of Directors at its regular meetings, or when the Board of Directors so requires, an account of all transactions as Treasurer and of the financial condition of the Corporation. If

required by the Board of Directors, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of the Treasurer's office and for the restoration to the Corporation, in case of the Treasurer's death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind, in the Treasurer's possession or under the Treasurer's control and belonging to the Corporation.

~~Section 12. 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 determination, 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 13. Compensation. Any officer of the Corporation is authorized to receive reasonable compensation for services rendered, when authorized by the Board of Directors, in its sole discretion.~~

**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 VII**

### **INDEMNIFICATION**

**Section 1.** Indemnification. Unless expressly prohibited by law, the Corporation shall fully indemnify any person made, or threatened to be made, a party to an action, suit or proceeding (whether civil, criminal, administrative or investigative) by reason of the fact that such person, or such person's testator or intestate, is or was a director, officer, employee or agent of the Corporation or serves or served any other enterprise at the request of the Corporation,

against all expenses (including attorneys' fees), judgments, fines and amounts paid or to be paid in settlement incurred in connection with such action, suit or proceeding.

**Section 2.** Limitation of Liability. In any proceeding against an officer or director who receives compensation for his or her services as such, the damages assessed arising out of a single transaction, occurrence or course of conduct shall not exceed the amount of compensation received by the officer or director from the Corporation during the twelve months immediately preceding the act or omission for which liability was imposed. An officer or director who serves the Corporation without compensation for his or her services shall not be liable for damages in any such proceeding. Notwithstanding the foregoing, the liability of an officer or director shall not be limited as provided in this section if the officer or director engaged in willful misconduct or a knowing violation of the criminal law.

## **ARTICLE VIII** **GENERAL PROVISIONS**

**Section 1.** Execution of Instruments. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

**Section 2.** The Corporation may have a seal of such design as the Board of Directors may adopt. If so adopted, the custody of the seal shall be with the Secretary and he/she shall have authority to affix the seal to all instruments where its use is required.

**Section 3.** Fiscal Year. The fiscal year of the Corporation shall begin on July 1 of each year and end on June 30 of the following year, with the initial fiscal year to commence on the date of incorporation.

## **ARTICLE IX** **AMENDMENTS OF BYLAWS**

These Bylaws may be amended, repealed, or altered, in whole or in part, and new Bylaws may be adopted by a majority of the votes cast at any meeting of the Board of Directors, duly called and at which a quorum is present.

Adopted by the Board this 14<sup>th</sup> day of July, 2014.

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Jennifer McKenzie, Secretary