

**BYLAWS  
OF  
THE RESTORATION HOUSE OF EAST TENNESSEE**

These Bylaws shall regulate the affairs of The Restoration House of East Tennessee, a Tennessee nonprofit corporation (the "Corporation"), subject to the provisions of the Corporation's charter and the Tennessee Nonprofit Corporation Act.

**ARTICLE I  
MEMBERS**

The Corporation will not have members.

**ARTICLE II  
BOARD OF DIRECTORS**

Section 1. General Powers and Qualifications

The Board of Directors shall manage the affairs of the Corporation, except as otherwise set out in the Charter. Directors shall be elected as set forth in these Bylaws at the annual meeting of the Corporation. The initial Board shall be appointed by the Corporation's incorporators and will be comprised of no more than twelve members. The Board of Directors shall consist of no less than five and no more than twelve Directors, as such number shall be determined by the Board, and any vacancies occurring on the Board may be filled by a vote of the remaining directors. The maximum and minimum number of directors may be increased or decreased, as the case may be, by amendment to these Bylaws, or by adoption of new bylaws but no decrease shall have the effect of shortening the term of any incumbent director. The membership of the Board shall not be restricted on the basis of sex, race or ethnic background. All directors shall be age 18 or older. An effort shall be made to insure that potential candidates have the personal interest, experience, time and talent that will allow them to contribute to the benefit of the Corporation and its stated purposes while serving as a member of the Board of Directors.

Section 2. Meeting Locations

All meetings of the Board of Directors shall be held at any location determined by the President or a majority of the Directors.

Section 3. Annual Meeting

The annual meeting of the Board of Directors shall be held in January of each year and upon ten days notice by the Secretary to each Director. This notice may be given in writing, in person, by telephone, by email, or any other reasonable method. At the annual meeting of the Board of Directors, the Board shall organize for the upcoming year, elect officers and transact such other business as may be appropriate at that time.

Section 4. Regular Meetings

Regular meetings of the Board of Directors shall be no less frequently than quarterly during the fiscal year, on such dates at such times as the Board may provide by resolution. The Board may also provide, by resolution, additional and/or alternative dates, time and places, either within or without the State of Tennessee, for the holding of regular meetings.

#### Section 5. Special Meetings

Special meetings of the Board of Directors may be called by the President, Executive Director, or upon written request by one third of the Directors to the Secretary or the President. Notice of any special meeting must be mailed by the Secretary to each Director at his/her last known mailing address at least five days prior to the date of the proposed meeting; said notice shall contain recitation of the purpose of the meeting and the business to be transacted.

#### Section 6. Quorum and Vote

At all meetings of the Board a simple majority of current members present shall constitute a quorum. The vote of a majority of the directors constituting a quorum shall be the act of the board. Proxy votes shall not be counted for purposes of constituting a quorum.

#### Section 7. Attendance by Telephone

If a director is not reasonably able to attend a meeting, a majority of the members present may authorize participation by telephone, so long as the absent member can hear, or be advised of the discussion of business, and other directors can hear, or be advised of the absent directors' votes or comments. A director participating by telephone may count toward a quorum.

#### Section 8. Resignation and Vacancies

Any director may resign at any time by giving written notice to the President of the Board or Executive Director. The resignation of any director shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. When one or more Directors shall resign from the Board, effective, at a future date, a majority of the Directors then in office, including those who have so resigned, shall have the power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

#### Section 9. Removal

A director who has missed three or more consecutive meetings may be removed by a majority vote of the board members then sitting. A director may be removed for any reason by a vote of two-thirds of the members then sitting.

#### Section 10. Compensation

No member of the board of directors shall receive any salary or compensation for their services as director. No director shall receive any service or benefit not provided to the general public. Directors may receive reimbursement for out-of-pocket expenses incurred while conducting authorized business on behalf of the corporation.

Section 11. Term Limits

Directors may serve up to three consecutive one year terms. In the event a Director has served three consecutive terms, he/she shall remove himself/herself from the Board for a period of one year before returning to the Board unless such limitation is waived by a majority vote of the board.

**ARTICLE III  
OFFICERS**

Section 1. Officers

The officers of the Corporation shall consist of a President, Vice-President, Secretary, Treasurer and other officers as might be named by the Board of Directors. The Board of Directors shall elect officers from the candidate or candidates submitted for consideration by the Executive Director and current board officers for a period of three years. After the initial three year period officers can be submitted for consideration by any of the current directors.

Section 2. Vacancies

Vacancies occurring in the corporate offices during a year shall be filled by a majority vote of the Board of Directors at any regular or special meeting. All directors have one vote.

Section 3. Removal

The Board of Directors may, by a vote of 2/3rds of the Board, initiate the removal of any officer at a regular or special meeting. If a Director is removed, he/she shall be replaced in the same manner as a vacancy set forth in these bylaws.

Section 4. Duties

***The President of the Board***

- *General:* Ensures the effective action of the board in governing and supporting the organization, and oversees board affairs. Acts as the representative of the board as a whole, rather than as an individual supervisor to staff.
- *Community:* Speaks to the media and the community on behalf of the organization (as does the executive director); represents the agency in the community.
- *Meetings:* Develops agendas for meetings in concert with the executive director. Presides at board meetings.
- *Committees:* Recommends to the board which committees are to be established. Seeks volunteers for committees and coordinates individual board member

assignments. Makes sure each committee has a chairperson, and stays in touch with chairpersons to be sure that their work is carried out; identifies committee recommendations that should be presented to the full board. Determines whether executive committee meetings are necessary and convenes the committee accordingly.

- *Executive Director*: Establishes search and selection committee (usually acts as chair) for hiring an executive director. Convenes board discussions on evaluating the executive director and negotiating compensation and benefits package; conveys information to the executive director.
- *Board Affairs*: Ensures that board matters are handled properly, including preparation of pre-meeting materials with the assistance of the executive director, committee functioning, and recruitment and orientation of new board members.

### ***Vice-President***

- *General*: Acts as the president in his or her absence; assists the president on the above or other specified duties.
- *Special Responsibilities*: From time to time will be assigned to an area in need of special attention

### ***Secretary***

- *General*: Shall keep an accurate record of all proceedings of the corporate Board meetings.
- *Corporate Documents*: Responsible for proper safe keeping of the papers and correspondence of the Corporation and as custodian of the corporate records, shall insure that the Corporation remains in good standing under the laws of the State of Tennessee, reporting on that subject to the Board President or the Executive Committee of the board.

### ***Treasurer***

- *General*: Manages the board's review of, and action related to, the board's financial responsibilities. May work directly with the bookkeeper or other staff in developing and implementing financial procedures and systems.
- *Reports*: Ensures that appropriate financial reports are made available to the board. Regularly reports to board on key financial events, trends, concerns, and assessment of fiscal health.
- *Finance Committee*: Chairs the Finance Committee if one is commissioned and prepares agendas for meetings, including a year-long calendar of issues.
- *Auditor*: Recommends to the board whether the organization should have an audit. If so, selects and meets annually with the auditor in conjunction with the Finance and/or Audit Committees.
- *Cash Management and Investments*: Ensures, through the Finance Committee, sound management and maximization of cash and investments. Corporate funds may be deposited only in banks or institutions which are insured by the Federal

Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

#### **ARTICLE IV EXECUTIVE DIRECTOR**

The Executive Director shall be the principal chief executive officer of the Corporation and shall have general supervisions of all the business and affairs of the Corporation. The Executive Director shall attend all meetings of the Board of Directors. He/She shall be a full voting member of the Board of Directors.

The Executive Director or his/her designee shall sign, as authorized by the Board of Directors, any deeds, mortgage bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in those instances where approval of others or the signature of others is expressly required by the Charter, by the Bylaws, or by any law of the State of Tennessee.

The Executive Director shall have general supervisory control and authority over all activities, function, and employees of the Corporation. He/she shall be vested with and exercise such powers as the Board, by resolution, shall deem necessary for the proper execution of this office.

The Executive Director shall have the power to employ and remove such person(s) as may be necessary for the proper functioning of the Corporation and to compensate for the services of such person(s).

The Board of Directors shall, at the time of the annual budgetary review, review the number of employees, current compensation, and other relevant factors.

The Executive Director may sign, with the President or other property officer of the Corporation designated by the board, all contracts, documents, and instruments which the Board has authorized to be signed on behalf of the Corporation.

The Executive Director shall, on an annual basis and whenever requested by the Board, prepare and recommend to the Board policy statements covering all phases of the Corporation's operation; shall maintain and actively pursue the objectives of the Corporation; shall develop programs to the enhance the public image of the Corporation; and in general, shall perform such other duties as may be assigned by the Board.

The Executive Director shall function on a full-time basis for the Corporation and shall be compensated upon the terms and in such amounts as determined by the Board. The performance of the Executive Director shall be evaluated on an annual basis by the officers of the Board.

The Executive Director shall be required to report as required on the corporate status and on the financial status of the Corporation. In case of a vacancy or an inability to perform, a

2/3 majority of the board of directors of the Corporation shall appoint a temporary replacement until such time as a new Executive Director may be elected as set forth herein.

The Executive Director may be removed by a 2/3 vote of the Board at a regular meeting of the Board, and further said removal will require 60 days notice by the Board to the Executive Director. All compensation due and owing to the Executive Director shall continue for 90 days after removal and immediately cease thereafter.

## **ARTICLE V COMMITTEES**

The Board of Directors shall have the power to create and abolish committees and appoint the members to the committees by majority vote of those present as it sees fit. Any liability incurred as a result of the activities of these committees shall-not be imputed to the individual members of the board of Directors in their positions as Directors. Such additional committees shall discharge the responsibilities as may be assigned to them by the Board.

## **ARTICLE VI FINANCES**

### Section 1. Fiscal Year

The corporation's fiscal year shall be from January 1<sup>st</sup> to December 31<sup>st</sup>. The Board may change the fiscal year by a 2/3 vote of the Board at any regular meeting of the Board.

### Section 2. Budget

The Board shall prepare and adopt a budget for the upcoming fiscal year by the final regular meeting scheduled during the current fiscal year.

### Section 3. Annual Financial Statement

The Corporation shall prepare an annual financial statement for distribution to the Board.

## **ARTICLE VII LIABILITY**

### Section 1

By action of the Board of Directors, notwithstanding any interest of the Directors in the action, the Corporation will purchase and maintain insurance, in such scope and amounts, as the Board of Directors deems appropriate.

Section 2

The personal liability of a Director for any injury to a person or property arising out of a tort or other act or failure to act as defined by the State of Tennessee is eliminated to the full extent provided by the laws of the State of Tennessee.

Section 3

All professional individuals employed by the Corporation will maintain individual malpractice insurance paid for by the Corporation.

Section 4

Professionals who contract with the Corporation shall maintain individual malpractice insurance at the individual contractor's expense. A copy of the policy will be maintained in the personnel file.

**ARTICLE VIII  
CONFLICT OF INTEREST POLICY**

The Corporation shall operate with a conflict of interest policy approved by the board. Such policy will be attached to the end of the bylaws.

**ARTICLE IX  
AMENDMENT OF BYLAWS**

These Bylaws may be altered, amended or replaced and new Bylaws may be adopted by a majority of the Directors present at any regular meeting or at any meeting, if at least ten days written notice is given to the voting members of the Corporation of intention to alter, amend or repeal or to adopt new Bylaws at such meeting.

**Approved and Adopted** on the \_\_\_\_ day of \_\_\_\_\_, 2007.

**President** \_\_\_\_\_

**Executive Director** \_\_\_\_\_

Adopted by the board of The Restoration House of East Tennessee on January 9, 2007.