

**REVISED BYLAWS
of the
EDUCATION ACHIEVEMENT AUTHORITY**

**ARTICLE I
PURPOSES AND DEFINITIONS**

Section 1.1. Purposes. The Education Achievement Authority (“Authority”) is organized as a Michigan public body corporate and special authority under an interlocal agreement (“Agreement”) between the Board of Regents of Eastern Michigan University (“University”) and the School District for the City of Detroit (“District”) entered into under the Urban Cooperation Act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512 (“Act”), for the purposes described in Section 2.01 of the Agreement, under any transfer contract entered into by the Authority under Section 5.05 of the Agreement, and any other purposes authorized by law.

Section 1.2. Definitions. Unless otherwise stated in these Bylaws, all of the terms used in these Bylaws have the meaning as defined in the Agreement and the Act and shall be interpreted in a manner consistent with the Agreement, the Act, and any transfer contract entered into by the Authority under Section 5.05 of the Agreement.

**ARTICLE II
OFFICES**

Section 2.1. Principal Office. The Executive Committee shall designate a location within the State of Michigan as the principal office of the Authority. The principal office shall be the registered office of the Authority and the registered agent of the Authority shall be the Chancellor, unless another individual is designated as the resident agent of the Authority by the Executive Committee.

Section 2.2. Other Offices. The Authority may establish and maintain offices authorized by the Executive Committee at such other places as the Executive Committee may designate or as the business of the Authority may require.

**ARTICLE III
AUTHORITY BOARD**

Section 3.1. Authority Board Vacancies. A position held by a member of the Authority Board becomes vacant upon any of the following events occurring prior to the appointment of a successor to the member by the appointing authority for the member:

- (a). The death of the member;
- (b). The resignation of the member;
- (c). The removal of the member from office;

- (d). The member ceasing to be an inhabitant of the State of Michigan;
- (e). The member's conviction of any infamous crime or of any offense involving a violation of the member's oath of office;
- (f). The decision of a competent tribunal declaring the member's appointment void; or
- (g). The refusal or neglect of the member to take the oath of office or deposit the oath in the manner required by Section 4.13 of the Agreement.

Section 3.2. Filling Authority Board Vacancies. A vacancy on the Authority Board shall be filled by the appointing authority in the same manner as an original appointment under Section 4.01 of the Agreement.

Section 3.3. Resignation from Authority Board. A member of the Authority Board may resign by providing written notice to the Secretary of the Authority. A member appointed by the District also shall provide written notice of the resignation to the governing body of the District. A member of the Authority appointed by the University also shall provide written notice to the Board of Regents of the University. A member of the Authority appointed by the Governor also shall provide written notice of the resignation to the Governor.

Section 3.4. Duties of Authority Board. The Authority Board shall:

- (a). Perform any and all duties imposed by law, by the Agreement or these Bylaws;
- (b). Authorize and approve the annual audit of the Authority;
- (c). Evaluate the performance of the Authority;
- (d). If required by law, review acts of the Executive Committee;
- (e). Adopt an ethics policy governing the conduct of Authority Board members, the Executive Committee, and officers and employees of the Authority as provided in Section 4.09 of the Agreement;
- (f). Adopt an investment policy for the Authority;
- (g). Meet at times and places as required under these Bylaws;
- (h). Conduct business in the best interests of the Authority and discharge the duties of the Authority Board in good faith with the care an ordinarily prudent person would exercise in a like position and under similar circumstances; and
- (i). Register the mailing address, e-mail address, and telephone number of each Authority Board member with the Secretary of the Authority.

Section 3.5. Regular Meetings of Authority Board. The Authority Board may hold regular meetings at times, dates, and places determined by the Authority Board. The Authority Board may designate one of the regular meetings of the Authority Board as the annual meeting of the Authority Board. The initial meeting of the Authority Board shall constitute the annual meeting of the Authority Board for the 2011 calendar year.

Section 3.6. Special Meetings of Authority Board. A special meeting of the Authority Board may be called by the Chairperson of the Authority Board or any six members of the Authority Board. The Chairperson or members of the Authority Board

calling the special meeting shall fix the time, date, and place within the State of Michigan for holding the special meeting.

Section 3.7. Open Meetings Act. The Authority Board shall comply with the Open Meetings Act, 1976 PA 267, MCL 15.261 to 15.273. Public notice of the time, date, and place of Authority Board meetings shall be given in the manner required by the Open Meetings Act.

Section 3.8. Notice of Authority Board Meetings. In addition to notice requirements under the Open Meetings Act, notice of any meeting of the Authority Board stating the time, date, place, and purpose of the meeting shall be given to each member of the Authority Board by: (a) mailing a written notice of the meeting to the address designated by an Authority Board member at least three days before the meeting; (b) personally delivering written notice of the meeting to an Authority Board member at least two days before the meeting; (c) verbally notifying an Authority Board member of the meeting at least two days before the meeting in person, by telephone, or by electronic means of verbal communication; or (d) electronically transmitting notice of the meeting to an Authority Board member at least two days before the meeting by electronic mail or other form of electronic communication directed to the e-mail address designated by the Authority Board member. An Authority Board member may waive notice of any meeting by written or electronically-transmitted statement sent by the Authority Board member and signed before or after the Authority Board meeting. The attendance of an Authority Board member at an Authority Board meeting constitutes a waiver of notice of the meeting.

Section 3.9. Authority Board Quorum. A majority of the members of the Authority Board serving on the Authority Board constitute a quorum for the transaction of the business of the Authority Board.

Section 3.10. Authority Board Voting. The Authority Board shall act by a majority vote of the members of the Authority Board serving at the time of the vote. Members of the Authority Board may not engage in proxy voting.

Section 3.11. Attendance and Participation by Electronic Communication by Authority Board Members. Members of the Authority Board may participate in meetings by electronic means of communication to the fullest extent permitted by law. Subject to any guidelines and procedures adopted by the Authority Board, members of the Authority Board, not physically present at a meeting of the Authority Board, may participate in the meeting by means of simultaneous electronic communication, be considered present in person for all relevant purposes, and may vote at the meeting.

Section 3.12. Rules of Order for Authority Board. Unless inconsistent with the Agreement or these Bylaws, the rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the Authority Board in all applicable matters.

ARTICLE IV EXECUTIVE COMMITTEE

Section 4.1. Executive Committee Vacancies. A position held by a member of the Executive Committee becomes vacant upon any of the following events:

- (a). The death of the member;
- (b). The resignation of the member;
- (c). The removal of the member from office;
- (d). The member ceases to be an inhabitant of the State of Michigan;
- (e). The member's conviction of any infamous crime or of any offense involving a violation of the member's oath of office;
- (f). The decision of a competent tribunal declaring the member's appointment void;
- (g). The refusal or neglect of the member to take the oath of office or deposit the oath in the manner required by Section 4.13 of the Agreement; or
- (h). The member ceases to be a member of the Authority Board.

Section 4.2. Filling Executive Committee Vacancies. A vacancy on the Executive Committee shall be filled by the Governor, in the same manner as an original appointment under Section 4.01 of the Agreement, for the balance of the unexpired term.

Section 4.3. Resignation from Executive Committee. A member of the Executive Committee may resign by providing written notice to the Secretary of the Authority and the Governor.

- Section 4.4. Duties of Executive Committee.** The Executive Committee shall:
- (a). Perform any and all duties imposed by law, by the Agreement, or these Bylaws;
 - (b). Exercise all of the powers of the Authority, except as otherwise provided in the Agreement;
 - (c). Appoint a Chancellor under Section 4.10 of the Agreement;
 - (d). Establish policies and procedures requiring disclosure of relationships that may give rise to a conflicts of interest;
 - (e). Establish a dedicated audit committee composed of members of the Executive Committee for the purpose of overseeing the accounting and financial reporting processes of the Authority and audits of its financial statements. The Chairperson of the Executive Committee shall serve as a member of the dedicated audit committee;
 - (f). Establish specific duties and obligations of the dedicated audit committee and standards and qualifications for members of the dedicated audit committee;
 - (g). Establish and disband other committees of the Executive Committee as appropriate to conduct the work of the Authority;
 - (h). Function as the governing body of the Authority for purposes of approving a transfer contract under Section 5.05 of the Agreement;
 - (i). Approve all budgets and budget amendments for the Authority;

- (j). Approve performance standards for the Authority under Section 7.07 of the Agreement;
- (k). Approve relevant information and measurements for inclusion in a citizen's guide to Authority finances and a performance dashboard for the Authority under Section 7.07 of the Agreement;
- (l). Adopt an investment policy for the Authority;
- (m). Approve disbursement guidelines for the Authority under Section 7.09 of the Agreement;
- (n). Consent to withdrawals from the Agreement under Section 8.03 of the Agreement;
- (o). Distribute property of the Authority upon dissolution of the Authority under Section 8.05 of the Agreement;
- (p). Meet at times and places as required under these Bylaws;
- (q). Except as otherwise provided in the Agreement and these Bylaws, appoint and remove, employ and discharge, and prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the Authority;
- (r). Supervise all officers, agents, and employees of the Authority to assure that their duties are performed properly;
- (s). Conduct business in the best interests of the Authority and discharge the duties of the Executive Committee in good faith with the care an ordinarily prudent person would exercise in a like position and under similar circumstances; and
- (t). Register the mailing address, e-mail address, and telephone number of each Executive Committee member with the Secretary of the Authority.

Section 4.5. Regular Meetings of Executive Committee. Regular meetings of the Executive Committee shall be held not less than quarterly under a meeting schedule approved by the Executive Committee.

Section 4.6. Special Meetings of Executive Committee. A special meeting of the Executive Committee may be called by the Chairperson of the Executive Committee, or any three members of the Executive Committee. The Chairperson or members of the Executive Committee calling the special meeting shall fix the time, date, and place within the State of Michigan for holding the special meeting.

Section 4.7. Open Meetings Act. The Executive Committee shall comply with the Open Meetings Act, 1976 PA 267, MCL 15.261 to 15.273. Public notice of the time, date, and place of Executive Committee meetings shall be given in the manner required by the Open Meetings Act.

Section 4.8. Notice of Executive Committee Meetings. In addition to notice requirements under the Open Meetings Act, notice of any meeting of the Executive Committee stating the time, date, place, and purpose of the meeting shall be given to each Executive Committee member by: (a) mailing a written notice of the meeting to the address designated by an Executive Committee member at least three days before the meeting; (b) personally delivering written notice of the meeting to an Executive Committee member at least two days before the meeting; (c) verbally notifying an Executive Committee member

of the meeting at least two days before the meeting in person, by telephone, or by electronic means of verbal communication; or (d) electronically transmitting notice of the meeting to an Executive Committee member at least two days before the meeting by electronic mail or other form of electronic communication directed to the e-mail address designated by the Executive Committee member. An Executive Committee member may waive notice of any meeting by written or electronically-transmitted statement sent by the Executive Committee member and signed before or after the Executive Committee meeting. The attendance of an Executive Committee member at an Executive Committee meeting constitutes a waiver of notice of the meeting.

Section 4.9. Executive Committee Quorum. A majority of the members of the Executive Committee serving on the Executive Committee constitute a quorum for the transaction of the business of the Executive Committee.

Section 4.10. Executive Committee Voting. The Executive Committee shall act by a majority vote of the members of the Executive Committee serving at the time of the vote. Members of the Executive Committee may not engage in proxy voting.

Section 4.11. Attendance and Participation by Electronic Communication by Executive Committee Members. Members of the Executive Committee may participate in meetings by electronic means of communication to the fullest extent permitted by law. Subject to any guidelines and procedures adopted by the Executive Committee, members of the Executive Committee not physically present at a meeting of the Executive Committee, may participate in the meeting by means of simultaneous electronic communication, be considered present in person for all relevant purposes, and may vote at the meeting.

Section 4.12. Rules of Order. Unless inconsistent with the Agreement or these Bylaws, the rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the Executive Committee in all applicable matters.

Section 4.13. Studies and Consultation. The Executive Committee may make inquiries, conduct studies or investigations, hold hearings, and receive comments from the public. The Executive Committee also may consult with outside experts in order to perform its duties including, but not limited to, experts in the field of education, the private sector, government agencies, nonprofit entities, and experts at institutions of higher education.

Section 4.17. Task Forces and Workgroups. The Executive Committee may establish task forces or workgroups to function as advisory bodies to the Executive Committee or the Authority. Task force members may include members of the Executive Committee, Authority Board members, employees or officers of the Authority, or other individuals, as determined by the Executive Committee.

ARTICLE V OFFICERS

Section 5.1. Officers. The officers of the Authority shall include a Chairperson of the Authority Board, a Vice-Chairperson of the Authority Board, a Chairperson of the Executive Committee, a Vice-Chairperson of the Executive Committee, a Secretary, and a Treasurer. The Executive Committee may appoint an Assistant Secretary or other officers or agents of the Authority, as the Executive Committee deems necessary, for the transaction of the business of the Authority.

Section 5.2. Authority Board Chairperson. The Chairperson of the Authority Board shall be a member of the Authority Board designated as Chairperson by the Governor. The Chairperson of the Authority Board shall preside over meetings of the Authority Board.

Section 5.3. Vice-Chairperson of Authority Board. The Authority Board shall elect from among the members of the Authority Board a Vice-Chairperson of the Authority Board. The Vice-Chairperson shall hold office while a member of the Authority Board and until a successor is appointed and qualified. The Vice-Chairperson may resign as Vice-Chairperson by written notice to the Secretary. If the Chairperson of the Authority Board is absent, or in the event of a vacancy in the office of Chairperson of the Authority Board, the Vice-Chairperson of the Authority Board shall preside over meetings of the Authority Board.

Section 5.4. Executive Committee Chairperson. The Chairperson of the Executive Committee shall be a member of the Executive Committee designated as Chairperson of the Executive Committee by the Governor. The Chairperson of the Executive Committee shall preside over meetings of the Executive Committee.

Section 5.5. Vice-Chairperson of Executive Committee. The Executive Committee shall elect from among the members of the Executive Committee a Vice-Chairperson of the Executive Committee. The Vice-Chairperson shall hold office while a member of the Executive Committee and until a successor is appointed and qualified. The Vice-Chairperson may resign as Vice-Chairperson by written notice to the Secretary. If the Chairperson of the Executive Committee is absent, or in the event of a vacancy in the office of Chairperson of the Executive Committee, the Vice-Chairperson of the Executive Committee shall preside over meetings of the Executive Committee.

Section 5.6. Secretary. The Executive Committee shall elect from among the members of the Authority Board a Secretary of the Authority. The Secretary shall hold office while a member of the Authority Board and until a successor is appointed and qualified. The Secretary may resign as Secretary by written notice to the Chairperson. The Secretary shall:

(a). Keep the minutes of the meetings of the Authority Board and the Executive Committee;

- (b). See that all notices are duly given under the Agreement, these Bylaws, or applicable law;
- (c). Keep a register of the mailing address, phone number, and e-mail address of each member of the Authority Board and each member of the Executive Committee; and
- (d). Perform all duties incident to the office of Secretary and other duties assigned by the Executive Committee.

Section 5.7. Treasurer. The Executive Committee shall elect from among the members of the Authority Board a Treasurer of the Authority. The Treasurer shall hold office while a member of the Authority Board and until a successor is appointed and qualified. The Treasurer may resign as Treasurer by written notice to the Secretary. The Treasurer shall:

- (a). Have charge and custody over the funds and any securities of the Authority;
- (b). Maintain the financial records of the Authority, including, but not limited to, records of receipts and disbursements;
- (c). Deposit funds and securities received by the Authority in depositories authorized by the Executive Committee; and
- (d). Perform all duties incident to the office of Treasurer and other duties assigned by the Executive Committee.

Section 5.8. Assistance for Secretary and Treasurer. Personnel of the Authority shall assist the Secretary and the Treasurer in the performance of their duties. The Executive Committee may delegate a specific duty or authority of the Secretary or the Treasurer to the Chancellor or other officer of the Authority. The Executive Committee may authorize the Chancellor to perform the duties and exercise the authority of the Secretary or the Treasurer whenever, for any reason, it is impracticable for the Secretary or the Treasurer to act personally, subject to any restrictions otherwise applicable to the Secretary or the Treasurer approved by the Executive Committee.

Section 5.9. Holding More Than One Officer Position. Any two offices of the Authority may be held by the same individual, but no officer shall execute, acknowledge, or verify any document in more than one capacity if the document is required by law, the Agreement, these Bylaws, or resolution of the Executive Committee to be executed, acknowledged, or verified by two or more officers.

Section 5.10. Oath. Officers of the Authority and the Chancellor, prior to entering upon the duties of office, shall take and subscribe to the constitutional oath of office under Section 1 of Article XI of the State Constitution of 1963. The oath of office shall be administered by an individual authorized under Michigan law to administer oaths. The oath of office shall be filed with the Secretary of State.

ARTICLE VI CHANCELLOR

Section 6.01. Chancellor. The Executive Committee shall appoint an individual as Chancellor of the Authority. The Chancellor shall be selected by an affirmative vote of a majority of the members of the Executive Committee. The Chancellor shall receive compensation as determined by the Executive Committee. The terms and conditions of the Chancellor's employment by the Authority, including length of service, shall be specified in a written contract between the Chancellor and the Authority. The Chancellor shall serve at the pleasure of the Executive Committee. The Executive Committee may remove or discharge the Chancellor by a vote of not less than the majority of the members of the Executive Committee.

Section. 6.02. Powers and Duties of Chancellor. The Chancellor shall:

- (a). Administer all programs, funds, personnel, facilities, contracts, and all other administrative and academic functions of the Authority, subject to oversight by the Executive Committee and in compliance with Section 4.11 of the Agreement and these Bylaws;
- (b). Report to the Executive Committee at meetings of the Executive Committee and to the Chairperson of the Executive Committee between meetings of the Executive Committee;
- (c). Serve as the chief administrative officer of the Authority, unless otherwise designated by the Executive Committee;
- (d). Serve as the chief academic officer of the Authority, unless otherwise designated by the Executive Committee;
- (e). Identify services or programs that the University will provide to, or on behalf of, the Authority under Section 6.02 of the Agreement;
- (f). Prepare all budgets and budget amendments for approval by the Executive Committee;
- (g). Prepare performance standards for review and approval by the Executive Committee under Section 7.07 of the Agreement;
- (h). Recommend guidelines for disbursements under Section 7.09 of the Agreement;
- (i). Assist or coordinate assistance for the officers of the Authority relating to the performance of their duties;
- (j). Conduct business in the best interests of the Authority and discharge his or her duties in good faith, with the care an ordinarily prudent person would exercise in a like position and under similar circumstances; and
- (k). Perform all duties incident to the office of Chancellor and other duties assigned by the Executive Committee.

ARTICLE VII CONTRACTS, FUNDS, AND GIFTS

Section 7.1. Contracts. The Executive Committee may authorize any officer or officers, or the Chancellor, to enter into any contract, to execute and deliver any instrument, or to acknowledge any instrument required by law to be acknowledged in the name of, and on behalf of, the Authority consistent with the Agreement, these Bylaws, and applicable law. The authorization may be general or confined to specific instances. When the Executive Committee authorizes the execution of a contract or of any other instrument in the name of, and on behalf of, the Authority, without specifying the executing officers, the Chancellor may execute the contract or instrument.

Section 7.2 Loans. No loans shall be contracted on behalf of the Authority and no evidences of indebtedness shall be issued in the name of the Authority unless authorized by a resolution of the Executive Committee. The authorization may be general or confined to specific instances.

Section 7.3. Checks, Drafts, and Orders. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Authority, shall be signed by the Treasurer, the Chancellor, or the Chairperson.

Section 7.4. Deposits. All funds of the Authority not otherwise employed shall be deposited to the credit of the Authority in a bank, trust company, or other depository as authorized by the Executive Committee and consistent with any investment policy adopted by the Executive Committee and the Authority Board, provided that the bank, trust company, or other depository is eligible to be a depository for public moneys under 1932 (1st Ex Sess) PA 48, MCL 129.11 to 129.15.

Section 7.5. Gifts. The Authority may accept any gifts, grants, assistance funds, or bequests from any source for the purposes of the Agreement.

ARTICLE VIII INDEMNIFICATION AND INSURANCE

Section 8.1. Indemnification. To the extent permitted by law and the Agreement, the Executive Committee may indemnify the members of the Authority Board, the members of the Executive Committee, other officers of the Authority, and the Chancellor for expenses and costs, including reasonable attorney fees, actually and necessarily incurred in connection with any claim asserted against the member, officer, or Chancellor, by action in court or otherwise, by reason of the member, officer, or Chancellor being a member, officer, or Chancellor of the Authority, except in relation to matters as to which the member, officer, or Chancellor acted with gross negligence or intentional, wanton, or willful misconduct with respect to the matter. However, any indemnification provided for under this section shall not be construed as a waiver of any applicable governmental immunity, which shall be asserted to the maximum extent permissible.

Section 8.02. Insurance. The Executive Committee may authorize the purchase and maintenance of insurance on behalf of any individual who is, or was, a member of the Authority Board, member of the Executive Committee, officer, or Chancellor, employee, or agent of the Authority, or is, or was, serving at the request of the Authority as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, authority, intergovernmental entity, or other enterprise against any liability asserted against the individual and incurred by the individual, in any capacity or arising out of the individual's status, whether or not the Authority would have power to indemnify the individual against liability under the Agreement or applicable law.

ARTICLE IX AMENDMENTS

Section 9.1. Amendment of Bylaws. These Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted by the affirmative vote of a majority of the Executive Committee at any regular meeting of the Executive Committee. These Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted by the affirmative vote of the Executive Committee at any special meeting of the Executive Committee, if a notice setting forth the terms of the Bylaws proposal has been given in accordance with the notice requirements for special meetings.

These Revised Bylaws were adopted by the Executive Committee of the Authority as the Bylaws for the Authority, on _____.

Secretary's Certification:

I certify that these Bylaws were duly adopted by the Executive Committee of the Education Achievement Authority at a properly-noticed open meeting held with a quorum present on the ___ day of _____, ____.

By: _____
Authority Secretary

[prepared October 21, 2011]