



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

RESOLUTION 2016-11

APPROVING THE COMMISSION'S AMENDED BYLAWS

WHEREAS, Public Act 181 of 2014, the Michigan Financial Review Commission Act (the "Act"), allows for the creation of the Detroit Financial Review Commission (the "Commission") within the Michigan Department of Treasury; and

WHEREAS, Section 5(9) of the Act provides that "[t]he commission shall adopt bylaws for governance of the commission, which shall, at a minimum, address the procedures for conducting meetings, including voting procedures, and the requirements of its members to attend meetings"; and

WHEREAS, the members of the Commission wish to amend the Detroit Financial Review Commission Bylaws to reflect enacted amendments to the Act, including the Commission's new oversight responsibilities for Detroit's school district.

NOW THEREFORE, be it resolved by the Detroit Financial Review Commission as follows:

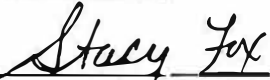
1. That the Commission's amended bylaws, attached as **Exhibit A** to this Resolution, is hereby approved and adopted.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

IN WITNESS WHEREOF, the members of the Commission, or their designees, have signed and adopted this Resolution.

DETROIT FINANCIAL REVIEW COMMISSION


By 
Darrell Burks, Detroit Financial Review Commission
Member

By _____
Michael Duggan, Detroit Financial Review
Commission Member


By 
Stacy Fox, Detroit Financial Review Commission
Member


By _____
Lorrion James, Detroit Financial Review Commission
Member

By _____
Brenda Jones, Detroit Financial Review Commission
Member

By 
Nick A. Khouri, State Treasurer and Detroit Financial
Review Commission Member

By _____
William Martin, Detroit Financial Review
Commission Member

By 
John S. Roberts, Detroit Financial Review
Commission Member

By 
Tony Saunders, Detroit Financial Review Commission
Member

Date: 6/24/2016
Detroit, Michigan

DETROIT FINANCIAL REVIEW COMMISSION

Bylaws

ARTICLE I

Adoption of Bylaws

The Financial Review Commission (the "Commission") for the qualified city (the "City") and the qualified school district (the "School District"), as defined by section 3 of 2014 PA 181, MCL 141.1633, adopts these Bylaws to govern its organization and operations pursuant to the Michigan Financial Review Commission Act, Act No. 181, Michigan Public Acts of 2014 (the "Act").

ARTICLE II

Members - Term of Office

The members of the Commission, their terms of office, and the method of selecting the members shall be as set forth in Sections 5(1) and (2) of the Act. Appointed members of the Commission serve at the pleasure of, and may be removed by, their respective appointing official. A vacancy on the Commission occurring other than by expiration of a term shall be filled by the Governor of the State of Michigan in the same manner as the original appointment for the balance of the unexpired term. Each member of the Commission shall take and subscribe to the constitutional oath of office under Section 1 of Article XI of the Constitution of Michigan of 1963. The oath shall be filed with the Secretary of State of the State of Michigan.

ARTICLE III

Officers and Employees

Section 1. Officers. The officers of the Commission shall be the Chairperson and, if applicable, the Vice-Chairperson.

Section 2. Chairperson. The State Treasurer of the State of Michigan (the "State Treasurer") or his or her designee shall be the Chairperson of the Commission. The Chairperson shall preside at all meetings of the Commission.

Section 3. Vice-Chairperson. The Chairperson may select a Vice-Chairperson who shall serve at the pleasure of the Chairperson. The Vice-Chairperson shall preside at all meetings of the Commission upon request of the Chairperson, including in the absence of the Chairperson. The Vice-Chairperson shall have the other duties and responsibilities as delegated by the Chairperson and as permitted by law.

Section 4. Absence of Chairperson and Vice-Chairperson. Whenever the Chairperson and Vice-Chairperson (if one has been selected) are unable to attend a meeting of the Commission, the members present at that meeting shall designate a temporary presiding officer from among the members present, who shall preside at the meeting.

Section 5. Vice Chairperson Vacancy. Should the office of Vice-Chairperson become vacant and the Chairperson desires to appoint a replacement, the Chairperson shall select a successor from the Commission membership.

Section 6. Sub-Committees. The Chairperson may designate and appoint Commission members to one or more sub-committees to advise the Commission. The Chairperson or his or her designee shall chair the sub-committees and preside at all meetings of the sub-committees.

Section 7. Executive Director. In accordance with Section 4 of the Act, the State Treasurer may appoint up to two Executive Directors, each of whom shall serve at the pleasure of the State Treasurer. If one Executive Director is appointed, he or she shall be the chief executive officer of the Commission and shall be responsible for the general supervision over and administrative charge of the business and affairs of the Commission. If two Executive Directors are appointed, one will be the co-chief executive officer of the Commission and shall be responsible for oversight of the School District, and the other one will be the co-chief executive officer of the Commission and shall be responsible for oversight of the City. A member of the Commission is not eligible to hold the position of Executive Director.

Section 8. Retention of Professionals. The Commission may contract for professional services, as it requires, and shall determine the qualifications it considers necessary. "Professional services" means services that require a high degree of intellectual skill, an advanced degree, or professional licensing or certification. Those providing the professional services are distinguished based on their specialized knowledge, experience, and expertise. Professional services include, but are not limited to, accounting, actuarial, appraisal, auditing, investment advisor, and legal services. Any use of or contract for legal services requires prior approval by the Department of Attorney General.

Section 9. Budgeting, Procurement, Personnel, and Related Management Functions. Except as otherwise provided in the Act, the Commission shall exercise its powers, duties, functions, and responsibilities under the Act independently of the State Treasurer. The budgeting, procurement, personnel, and related management functions of the Commission shall be performed under the direction and supervision of the State Treasurer.

Section 10. Compensation. Members of the Commission shall serve without compensation for their service on the Commission, but may receive reasonable reimbursement for necessary travel and expenses incurred in the discharge of their official duties.

ARTICLE IV

Meetings

Section 1. Regular and Special Meetings. Regular Meetings of the Commission shall be held no less than monthly at the times and places determined by the Chairperson. Special Meetings of the Commission shall be held at such times and such places as may be determined by the Commission at any Regular or Special Meeting, or at any other times and places as determined by the Chairperson. At the discretion of the Chairperson, he or she may hold two Regular Meetings instead of one Regular Meeting so that matters that apply to the City only may be acted upon at one Regular Meeting and matters that apply to the School District only may be acted upon at the other. The call for a Regular Meeting, specifying the time and place of the meeting and the suggested agenda shall be delivered in person, mailed, faxed, or emailed to each member of the Commission prior to the date of such meeting. The call for a Special Meeting specifying the time and place for such meeting may be emailed or given by telephone to the business or home address or cell phone of each member of the Commission not less than 18 hours before the time of the meeting. Notice, posting and other procedures for the call of Regular or Special Meetings shall always be performed in accordance with the Open Meetings Act, Act No. 267, Michigan Public Acts of 1976.

Section 2. Attendance. Members of the Commission and their statutorily-authorized designees shall make all reasonable efforts to attend meetings of the Commission. If a member of the Commission is unable to attend a Regular or Special Meeting, he or she shall inform the Chairperson prior to the meeting. Any absence shall be noted in the minutes for that meeting. A member of the Commission who is present at a meeting may by motion request that one or more members who are unable to attend the meeting be granted an excused absence from that meeting. If a meeting concerns only the City or only concerns the School District, members of the Commission that are not permitted to vote on any of the matters on the agenda for such meeting are automatically excused.

Section 3. Quorum. A majority of the members of the Commission shall constitute a quorum of the Commission for the transaction of business at a meeting, or the exercise of a power or function of the Commission. Notwithstanding the previous sentence, if the agenda of a meeting applies only to the City or only to the School District, the majority of voting members of the Commission permitted by statute and these Bylaws to vote on such matters constitutes a quorum. If at any time during a meeting a quorum is not present, the meeting shall automatically adjourn.

Section 4. Telephonic Attendance at Meetings. Members of the Commission may attend and participate in a meeting of the Commission by the use of telecommunication or other electronic equipment so long as all persons participating in the meeting may hear each word and if the meeting is otherwise conducted in compliance with the Open Meetings Act, Act No. 267, Michigan Public Acts of 1976.

Section 5. Action by the Commission. The Commission shall only take the actions approved by a resolution or motion of the Commission which had a concurring vote of a majority of the members of the Commission entitled to vote on such resolution or motion.

Section 6. Manner of Voting. The voting on a resolution shall be by a roll call vote. The voting on all other questions at a meeting of the Commission shall be by a voice vote, unless a member requests a roll call. In the case of a roll call vote, the individual yeas and nays shall be entered in the minutes of that meeting. For all matters that apply to the City and the School District, all members of the Commission shall have the power to vote. For all matters subject to a vote that apply only to the School District, the City's Mayor and City Council President (or either or both of their designees) shall not be entitled to vote. For all matters subject to a vote that apply only to the City, the School District's Board Chairperson and the School District's Superintendent shall not be entitled to vote. If any issues are raised as to whether a matter applies only to the City, or only to the School District, the issue shall be resolved by the presiding officer of the meeting.

Section 7. Public Meetings. All meetings of the Commission shall be held in compliance with the Open Meetings Act, Act No. 267, Michigan Public Acts of 1976.

Section 8. Minutes. Minutes of all the Commission meetings, including all votes, shall be kept on file in the Department of Treasury. Proposed minutes for a Commission meeting shall be prepared within eight business days of the meeting. The minutes shall be corrected and approved at the succeeding meeting. If corrected, the minutes shall show both the original entry and the correction. The minutes for each meeting of the Commission shall be open and available to the public in compliance with the Open Meetings Act, Act No. 267, Michigan Public Acts of 1976 and the Freedom of Information Act, Act No. 442, Michigan Public Acts of 1976.

Section 9. Resolutions and Effective Date. All resolutions shall be in writing and shall be kept on file in the Department of Treasury. Resolutions shall become effective on the day of passage, upon adjournment of the meeting, unless otherwise stated in the resolution.

ARTICLE V

Liability of Members, Officers, and Employees

Section 1. Immunity. MCL 691.1407 generally permits governmental immunity as a defense to a member's alleged negligence in violating his or her duties and responsibilities, so long as the member:

- a. is acting, or reasonably believes he or she is acting, within the scope of his or her authority; and
- b. his or her conduct does not amount to gross negligence that is the proximate cause of the injury or damage ("gross negligence" means conduct so reckless as to demonstrate a substantial lack of concern for whether an injury results).

ARTICLE VI

Miscellaneous Provisions

Section 1. Fiscal Year. The fiscal year of the Commission shall be the same as the State's fiscal year.

Section 2. Execution of Documents. The Commission may authorize by resolution the execution of documents or certificates on behalf of the Commission by the members of the Commission and other authorized officers of the Commission as it considers appropriate.

Section 3. Conflict of Interest. Members of the Commission and contractors or agents of the Commission shall be subject to the provisions of Act No. 317, Michigan Public Acts of 1968 and Act No. 318, Michigan Public Acts of 1968 as well as any ethics policy adopted by the Commission.

Section 4. Conflict with the Act. To the extent that there is any conflict between these Bylaws and the Act or the underlying statutes, the Act and the underlying statutes shall control.

Section 5. Ethical Duties. Members of the Commission and contractors or agents of the Commission shall be subject to the provisions of the State Ethics Act, Act No. 196, Michigan Public Acts of 1973 as well as any ethics policy adopted by the Commission.

ARTICLE VII

Amendment and Suspension of Bylaws

Section 1. Amendment. These Bylaws may be amended by resolution adopted by the affirmative vote of a majority of the members. Advance notice of motions to amend the Bylaws need not be given.

Section 2. Suspension. Any and all of the provisions of the Bylaws, except those required by state law, may be suspended by the affirmative vote of a majority of the members.

As modified June __, 2016