

IL NET

an ILRU/NCIL National Training and Technical Assistance Project

Expanding the Power of the Independent Living Movement

SHOULD SILCs BECOME 501(c)(3)s?

A National Teleconference

Participant's Manual

May 29, 2002

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Should SILCs Become 501(c)(3)s? A National Teleconference

Participant's Manual Table of Contents

Agenda.....	<i>i</i>
About the Trainers.....	<i>ii</i>
List of Trainers and IL NET Staff	<i>iii</i>
About ILRU.....	<i>v</i>
About NCIL.....	<i>v</i>
About IL NET.....	<i>vi</i>
To be or not to be 501(c)(3)	1
West Virginia SILC Organizational Documents	20
Kansas SILC Organizational Documents	51
More Information Resources	74
Appendix	76

Should SILCs Become 501(c)(3)s?
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May 29, 2002

AGENDA

Welcome and Introductions

– Darrell Jones

Overview of the Law and Its Implications

– Shannon Jones

Advantages of SILCs' Becoming 501(c)(3)s

– Pat Puckett, Ann Meadows, Shannon Jones, Sandi Weber

Barriers to SILCs' Becoming 501(c)(3)s

– Pat Puckett, Ann Meadows, Shannon Jones, Sandi Weber

Q & A

Strategies for Dealing with Barriers

– Pat Puckett, Ann Meadows, Shannon Jones, Sandi Weber

Administrative/Management Issues to Be Prepared For

– Sandi Weber

The Filing Process

– Pat Puckett and Shannon Jones

Q & A

Wrap-up

ABOUT THE TRAINERS

Shannon Jones has been the executive director of the Statewide Independent Living Council of Kansas (SILCK) for the past eight years. She has been active as a disability rights advocate in the independent living movement since the late 1980's. Until 1992, Jones was the director of community education and advocacy at The WHOLE PERSON, Inc. an independent living center in Kansas City, MO. During her six years there, she was active in disability rights advocacy and developed programs for businesses, property owners and government officials on implementation of the ADA. In addition to serving as a board member of the National Council on Independent Living (NCIL), Jones is a member of many consumer and professional organizations at a national, state, and local level.

Ann Meadows is the Executive Director of the West Virginia Statewide Independent Living Council. She has been involved with independent living and advocacy since 1985, having worked 11 years at a CIL and five years in her current position. Ann is Secretary and the Region 3 SILC representative on the SILC sub-committee of NCIL and serves on the NCIL conference planning committee.

Pat Puckett is the Executive Director of the Statewide Independent Living Council of Georgia, a non-profit organization working to promote the equal participation of people with disabilities in their communities. Pat graduated from Valdosta State College in 1972 and attended graduate school in Public Administration at the University of Georgia. Pat is a graduate of the Leadership DeKalb class of 1998. She is a pioneer in the area of disability services, a very active advocate in many disability organizations as well as the Women's Policy Group, a network that deals with women's issues in the Georgia General Assembly. She is one of 17 members of Governor Barnes Blue Ribbon Task Force on Home & Community-based Services.

Sandi Weber has been the Executive Director of the Pennsylvania Statewide Independent Living Council (SILC) for the past six years. Her prior work experience includes more than twelve years at Three Rivers Center for Independent Living in Pittsburgh where she held various positions ranging from Regional Housing Counselor and Program Manager to Vice President of Consumer Services. Sandi serves on many advisory committees as well as Pennsylvania's Inter-governmental Council on Long Term Care. Sandi is a long time advocate in the disability rights movement and is the mother of two sons who are disability rights advocates in their own right.

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ABOUT ILRU

The Independent Living Research Utilization (ILRU) Program was established in 1977 to serve as a national center for information, training, research, and technical assistance for independent living. In the mid-1980's, it began conducting management training programs for executive directors and middle managers of independent living centers in the U.S.

ILRU has developed an extensive set of resource materials on various aspects of independent living, including a comprehensive directory of programs providing independent living services in the U.S. and Canada.

ILRU is a program of TIRR, a nationally recognized, free-standing rehabilitation facility for persons with physical disabilities. TIRR is part of TIRR Systems, a not-for-profit corporation dedicated to providing a continuum of services to individuals with disabilities. Since 1959, TIRR has provided patient care, education, and research to promote the integration of people with physical and cognitive disabilities into all aspects of community living.

ABOUT NCIL

Founded in 1982, the National Council on Independent Living is a membership organization representing independent living centers and individuals with disabilities. NCIL has been instrumental in efforts to standardize requirements for consumer control in management and delivery of services provided through federally-funded independent living centers.

Until 1992, NCIL's efforts to foster consumer control and direction in independent living services through changes in federal legislation and regulations were coordinated through an extensive network and involvement of volunteers from independent living centers and other organizations around the country. Since 1992, NCIL has had a national office in Arlington, Virginia, just minutes by subway or car from the major centers of government in Washington, D.C. While NCIL continues to rely on the commitment and dedication of volunteers from around the country, the establishment of a national office with staff and other resources has strengthened its capacity to serve as the voice for independent living in matters of critical importance in eliminating discrimination and unequal treatment based on disability.

Today, NCIL is a strong voice for independent living in our nation's capital. With your participation, NCIL can deliver the message of independent living to even more people who are charged with the important responsibility of making laws and creating programs designed to assure equal rights for all.

ABOUT THE IL NET

This training program is sponsored by the IL NET, a collaborative project of the Independent Living Research Utilization (ILRU) of Houston and the National Council on Independent Living (NCIL).

The IL NET is a national training and technical assistance project working to strengthen the independent living movement by supporting Centers for Independent Living (CILs) and Statewide Independent Living Councils (SILCs).

IL NET activities include workshops, national teleconferences, technical assistance, on-line information, training materials, fact sheets, and other resource materials on operating, managing, and evaluating centers and SILCs.

The mission of the IL NET is to assist in building strong and effective CILs and SILCs which are led and staffed by people who practice the independent living philosophy.

The IL NET operates with these objectives:

- Assist CILs and SILCs in managing effective organizations by providing a continuum of information, training, and technical assistance.
- Assist CILs and SILCs to become strong community advocates/change agents by providing a continuum of information, training, and technical assistance.
- Assist CILs and SILCs to develop strong, consumer-responsive services by providing a continuum of information, training, and technical assistance.

To be or not to be 501(c)(3)

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In this issue:

- SILCs as nonprofits?
- Growing number of SILCs are “going nonprofit” for autonomy
- Desire for “true consumer control” prompted Kansas SILC to become the nation’s first nonprofit council
- As a nonprofit, Georgia SILC supports CIL development
- More confidence a by-product of Arkansas SILC’s nonprofit move
- Idaho SILC seeks balance between desire for autonomy and realities of being an employer
- In California, SILC functions as an independent state agency
- Going nonprofit: The IL Net’s guide to the basic steps to becoming a 501(c)(3)nonprofit organization
- Professional help today may prevent troubles and headaches tomorrow
- Starting Points (links to nonprofit resources)
- The nonprofit lobby
- New Mexico SILC came “this close” to making the transition to nonprofit
- Innovative CILs
- NetNotes

To be or not to be 501(c)(3)?

In this issue...

SILCs as nonprofits?

...by Richard Petty, IL Net Director

Advancing independent living within a state is the Statewide Independent Living Council's primary function. What is the best organizational structure to get the job done? If you spend much time around SILC folks, you know that's a question that gets talked about a lot—especially the pros and cons of becoming a nonprofit organization.

The IL Net gets a steady flow of questions about it. Beyond the ramifications of declaring independence through nonprofit status, SILCs also want to know the practical aspects of “how do you get it done?” In this issue, we address the questions and concerns we hear most frequently.

In producing these articles, we spoke with SILCs representing pretty much the full spectrum of experiences and attitudes about becoming a nonprofit. Some of them believe (strongly!) that nonprofit status is the only way to achieve the independence and autonomy the federal law requires. Others are “on the fence,” and give us insight into the things you consider when deciding which way to go. And we feature one SILC that's taken a completely different approach by becoming a state agency.

For SILCs ready to take the plunge, we cover the basic steps to incorporating and getting recognized by IRS as a 501(c)(3) organization. We've also added some websites and other good resources we hope will help.

Autonomy and credibility are important elements of a SILC's effectiveness in carrying out its role. Whether or not you agree that being a nonprofit is the best way to achieve those traits, we hope you'll find this newsletter thought provoking and useful.

Growing number of SILCs are “going nonprofit” for autonomy

Today, 14 statewide independent living councils are operating as 501(c)(3) nonprofit organizations. By year's end, there will probably be 20. That's according to Bob Michaels, project consultant to ILRU, who works closely with SILCs of all shapes, sizes and stages of development. He thinks the trend toward “SILCs as nonprofits” will continue. The federal law that establishes SILCs (Sec. 705, Title VII of the Rehabilitation Act) states clearly that they “shall not be established as an entity within a State agency.” However, Michaels says, many councils haven't pursued another

arrangement—largely because they feel they have enough independence and autonomy in their relationship with the designated state unit (DSU).

Eventually, he predicts, many of those SILCs will run into the situation when—no matter how autonomous they think they are—politics or bureaucracy will stifle their plans or activities. “Usually there are rules designed to protect the bureaucracy that don’t work very well when you’re trying to develop an independent living network,” Michaels says. “Sometimes we run into ridiculous obstacles.”

In some states, Michaels says, SILCs aren’t privy to how much money their designated state unit (DSU) has budgeted for their activities. Many are not allowed to “hire, fire or evaluate” their own staff. With the DSU controlling both money and staff, it’s hard for a SILC to take charge of its mission. “Under the law,” Michaels says, “we’re supposed to be independent and have autonomy—and we don’t.”

Some SILCs “will only be able tolerate the ambiguity for so long,” Michaels believes, before they will get serious about becoming an independent nonprofit organization. Even then, he advises, how much autonomy a SILC will realize depends on how well it negotiates for control of the federal funds that still must be channeled through the DSU.

Most nonprofit SILCs, says Michaels, get their funds through a contract with or grant from the DSU—and this is really where autonomy is established. He suggests that the SILC must be sure the agreement allows sufficient control, latitude and independence to do the things it wants to do.

He stresses, however, that with control of the dollars comes added responsibility. If it expects the DSU to hand over the money and get out of the way, a nonprofit SILC will have to establish policies and procedures for spending and accounting for the funds. The SILC will also need a clear plan spelling out how it will accomplish the grant or contract’s requirements.

To contact Bob Michaels, call 480-961-0553 or send e-mail to michaels@impulsedata.net.

Desire for “true consumer control” prompted Kansas SILC to become the nation’s first nonprofit council

I know who my boss is—it’s the president of the SILCK. It’s not the governor or the secretary of state or the VR director. - Shannon Jones, Kansas

As Shannon Jones tells it, there was never a question about it. In 1994, when amendments to the Rehab Act dictated that SILCs would not be part of another state agency, the only thing the Statewide Independent Living Council of Kansas (SILCK)

needed to decide was where it would set up shop when it separated from the state vocational rehabilitation agency.

Jones, SILCK executive director, says council members briefly entertained the idea of affiliating with the governor's office but didn't think that jived with the intent of the law. It was the VR agency that suggested becoming a nonprofit organization, Jones says. "They said the CILs do it, why wouldn't it work for you?" Within a year the Kansas council became the first nonprofit SILC in the nation. "We wanted to do it so we could truly be a consumer-controlled entity," Jones says. "It has allowed us to hire staff, advocate at the state level and generate funds for lobbying—to be totally devoted to promoting the independent living philosophy."

The transition started with "a lot of discussion and consideration" between SILC members, the DSU and governor's office, Jones says. One of the first things they had to work out was how to incorporate as an autonomous entity when the governor appoints the membership. "The concern was," Jones explains, "the appointments could be looked upon as political appointments and, thereby, not meeting the criteria of a stand-alone entity."

The lawyer paid for with \$1,200 in Part B IL funds—"the best money we ever spent," says Jones—came up with the solution. In its Articles of Incorporation, the SILCK is established as a membership organization—open to all residents of Kansas. The governor, then, appoints board members from among the candidates selected from the membership and recommended by the SILCK board.

With state incorporation papers filed, the SILCK moved on to getting set up with IRS as a 501(c)(3) tax-exempt nonprofit organization. As the first of a kind to apply for the designation, Jones says it took several months of correspondence with the tax agency to figure out just what kind of organization a SILC is. Generally, though, Jones describes the process as "simple."

Jones hopes the SILCK has paved a path to independence that other SILCs can easily follow. "It should be a SILC's highest priority to say 'we are consumer-controlled—we're not VR controlled,'" she says. "I think the real proof of the pudding is who signs your paycheck—that's who you work for."

Contact Shannon Jones by phone at 785-234-6990 or send e-mail to shanoz@aol.com.

As a nonprofit, Georgia SILC supports CIL development

“If you want to have people with disabilities in a central role in the IL movement, you’ve got to get your hands on the money.” Pat Puckett, Georgia

When the Georgia SILC became a nonprofit organization in 1995, there were only three consumer-controlled centers for independent living in the entire state. For the most part, independent living services were delivered by IL coordinators hired by the vocational rehabilitation agency and stationed at local field offices.

Back then, Pat Puckett was a member of the rehab agency’s IL advisory committee. She remembers a “constant struggle” to get the agency to “do right” in terms of providing IL services. “The truth as far as we could see it,” Puckett explains, “was that IL was the equivalent of the back room for people with significant disabilities. It was a place to park people.”

Today, Puckett is the executive director of the SILC—a nonprofit agency that controls the flow of the Part B IL dollars in Georgia. With those funds, the council helps consumer groups get information and develop the skills they need to start up CILs to fill out the SILC’s plan for a statewide network of centers. The assistance is offered in a variety of ways including mini-grants for seed money, study tours to existing CILs, challenge grants and training scholarships.

Today there are six CILs—two funded with Part B dollars and four with Part C funds—and two more in the works. “Now the SILC is a significant force in the development of CILs,” Puckett says.

The two best things about being a nonprofit organization, Puckett says, are the autonomy and the ability to raise funds—especially private funds that can be used for things like lobbying and ADAPT activities. For example, last year the SILC raised private funds to support a large coalition of organizations in its lobbying activities related to an Unlock the Waiting Lists campaign. “As a result of that campaign,” she says, “our state legislature made the biggest financial commitment in our history for home and community-based services.”

The freedom of being a nonprofit group, Puckett points out, comes with new responsibilities that may require developing some new skills. “It requires more energy and vigilance to sustain your organization,” she says, noting that nonprofit corporations are required to maintain minutes and other records, as well as file annual tax returns. “Without a clear vision of the future and strong leadership,” she advises, “you can get caught up in organizational minutiae that will eat you alive.”

Call Pat Puckett at 770-270-6860 or send e-mail to silcga@mindspring.com.

More confidence a by-product of Arkansas SILC's nonprofit move

"...this is the way it's intended to work. We're our own organization now." Jim Eakin, Arkansas

As they worked to establish the Arkansas SILC as a nonprofit organization, Danielle Strickman and Jim Eakin anticipated that the move would result in more autonomy and independence for the council. Strickman was a council member and Eakin the coordinator when they started the process in 1996. The two may not have guessed one by-product of the SILC's new-found status—confidence. "We felt stronger and clearer about our purpose and our relationship with the DSU," says Strickman, who now lives in Florida. "We were separate—and we could strive to work with them—but we were not governed by them anymore."

"It was like 'hey, this is the way it's intended. We're our own organization now,'" adds Eakin, now the SILC's executive director.

With the accomplishment came a sense of pride and a new way of approaching the SILC's business. According to Strickman, one of the first opportunities to step up to the new status came when it was time to renegotiate the state plan, which includes the SILC's resource plan and budget. "We had to rise to the level of being a 501(c)(3)," Strickman says, describing the council's preparation prior to submitting its proposal to the two state rehab agencies (blind and general).

The first three-year proposal the new nonprofit SILC submitted included three unprecedented requests: 1) to continue to pay for the council and its activities with Title I strategic planning funds (making more Part B funds available for services), 2) to increase the SILC's budget to nearly double its previous level, and 3) to give Arkansas' CILs a much larger percentage of the Part B dollars. When the negotiations were over, the SILC prevailed on all three requests.

Strickman and Eakin agree things might not have turned out so well if the SILC had not become a nonprofit. Aside from having a better sense of how to document and present a proposal, Eakin says the council was more confident in its negotiating position. "We have standing and respect that we didn't have before," he says.

About the same time the SILC was negotiating the new plan, it was also asserting its independence by leading the advocacy effort for passage of a state IL Act. The council realized partial success on the first try. The legislation passed, but was not funded.

Getting state funds attached to that law is still on the SILC's agenda, as are a number of activities that the pre-nonprofit organization might not have thought of—or

attempted. Eakin says that's because the council is becoming more comfortable with its new role and responsibilities and is starting to "think more outside the box."

"We're still growing and still defining ourselves," he says. "But we're getting to the point that the Arkansas SILC is something people can count on."

Contact Jim Eakin, Arkansas SILC director, at 501-372-0607 or send e-mail to ailc@alltel.net. Call Danielle Strickman, new Florida resident, at 305-443-3364 or send e-mail to dstrickm@earthlink.net.

Idaho SILC seeks balance between desire for autonomy and realities of being an employer

We originally made a specific decision not to become a nonprofit because we felt like there was the potential to be less autonomous as a 501(c)(3) than as a state entity. Kelly Buckland, Idaho

Until recently, the Idaho SILC had not seriously considered the option of becoming a nonprofit organization. It determined its own agenda, had a stable relationship with the DSU, set its own budget and had no problem bringing in funds from grants or donations. In fact, says Kelly Buckland, executive director, "we were concerned that we might lose autonomy if we became a nonprofit." The concern is, Buckland says, that to receive funds, the SILC would have to contract with the DSU. "We thought they might be able to exert more control over us through that contract than the current arrangement."

The Idaho council was considered an independent state agency under the state board of education. The SILC's budget requests were forwarded through the rehab agency and the state board approved the request as submitted. That's how it worked until last year.

For the first time, the education board imposed limits on how much money the SILC could request from the state legislature, took away the SILC's lump sum budget authority and reduced employee salaries and benefits. Buckland says the new restrictions may be the legislature's unfavorable response to the SILC's advocacy activities. Now, he says, the council is taking another look at going nonprofit.

But the decision is not easy for a council that places a high value on compensating staff with competitive salaries and benefits. The SILC is stymied by how to replace employee benefits—especially health insurance—that are currently provided by the state. "The problem is," Buckland explains, "with a staff of 2.5 people, you're too small to be a group for health insurance and any other kind of coverage is not available."

Buckland says the SILC is also concerned it will be difficult to find funds for support services that are currently provided through the state. Combined with the employee concerns, Buckland says, that's enough to cause the council to think twice about making a move. Nonetheless, he says, if the insurance issue can be resolved, the SILC will most likely seek nonprofit status.

In the meantime, the council is exploring other ways to restore autonomy to its current situation. Buckland says one possibility is a memorandum of agreement that would establish the SILC as an "independent state entity" required by federal law and protect the education board from liability for SILC activities.

To contact Kelly Buckland, send e-mail to kbuckland@silc.state.id.us or telephone 208-334-3800.

In California, SILC functions as an independent state agency

"It's a good role to play, because when people decide it's time to go to the capitol to demonstrate we can go inside and talk to the people who are being demonstrated against and tell them why there are protests outside—and what might be done to keep it from recurring."

Mike Collins, California

The Rehab Act says a SILC can't be part of a state agency—but it doesn't say it can't BE a state agency. And that's exactly what the California council is—a state agency reporting directly to the governor's office.

Executive Director Mike Collins acknowledges it's an arrangement that might not work in every state. But it's working in his state, he says, and working quite well.

Collins became the SILC's first executive director in 1997, a short time after California's governor issued an executive order establishing the council as a state agency. The order created an independent agency with the same powers and duties prescribed by the Rehab Act and its own line item budget. Part B IL funds, which still flow through the VR agency, are channeled to the SILC under the terms of a memorandum of understanding, at a level agreed to in the State Plan for IL.

"It's a very good situation in a lot of ways," Collins says, "especially when it comes to our role within the state bureaucracy. We have the same status as other independent state agencies. I have peer standing with other department directors—and that's helpful in working on issues that are important to people with disabilities. We also have opportunities to work with the governor and his key staff. We can make sure they understand the independent living perspective on disability issues."

The arrangement does limit the California SILC's "flexibility" to some extent when it comes to direct advocacy, Collins says. "We are a cabinet agency. In reality our role is to educate the Legislature, other agencies, consumers, the general public and the governor about disability-related issues, and to do that effectively we don't have to take a public stance that would affect him negatively."

Instead, Collins says the SILC uses its status within government to transmit information from the advocacy community to state leaders—and vice versa. "The SILC might not always be at the table alongside disability advocates who appear to be most vocal on state policy issues," he says, "but a lot of the people who are at the table are there because they learned about the issues and opportunities from us."

Contact Mike Collins at 916-445-0142 or send e-mail to mcollins@calsilc.org.

Going nonprofit: The IL Net's guide to the basic steps to becoming a 501(c)(3) nonprofit organization

"What do we do to become a nonprofit organization?" That's among the questions we at the IL Net are asked most frequently. This guide is our effort to lay out the basic steps. Do we cover every last detail you'll need to consider in your nonprofit journey? No, that's why it's a "guide" and not a "manual." However, we've collected some links to other, more comprehensive resources we think will fill in the gaps. We've also incorporated tidbits of information and advice provided by a number of SILCs and CILs that have already traveled the nonprofit path. We hope you find it useful and informative. —Ed.

#1. Talk it up

Becoming a nonprofit organization is not a casual commitment. It's going to take planning and hard work to get through the process. And, once you're there, it may require your members and others you associate with to adjust to new roles, responsibilities and ways of doing things. It's a good idea to get their buy-in up front. Folks you'll want to talk with:

- **Your board and/or council members.** They need to agree on the reasons for going nonprofit, understand the pros and cons and understand and accept what will be required of them during and after the process.
- **The designated state unit (DSU) or other "parent" organization.** They may be all for it—they may not. If they support you, they may be able to help. If they don't support you, it's still smart to keep them informed.

- **The governor (if you're a SILC).Governors generally don't like surprises.** Since they appoint your members, it's important to keep them in the loop. Explain why you're seeking nonprofit status and resolve any issues or concerns up front. It's likely to keep your appointments process on the right track, and having the governor's support sends a powerful message to DSUs and others who may be impacted by the change.

#2. Get stuff

There's a lot to know and do in order to be qualified as a tax-exempt nonprofit organization. While the steps are pretty logical and straightforward, it's important to know how they relate to each other. For example, one of the first things you'll do is register as a nonprofit corporation in your state. Some of the information included in your articles of incorporation is critical to gaining IRS approval as a tax-exempt organization later on. So you'll want to be familiar with the IRS requirements before you start setting up the corporation. To get started, you'll need:

- **Forms and procedures for establishing a nonprofit corporation.** The process may vary from state to state. Your state's comptroller and/or secretary of state's office is a good place to start.
- **IRS Publication 557, Tax-Exempt Status for Your Organization.** This document provides a detailed overview of the application process and devotes a whole section (Hint: It starts on p.13) to 501(c)(3) organizations, including sample articles of incorporation.
- **IRS Package 1023: Application for Recognition of Exemption.** This is the form you'll use to apply for 501(c)(3) and step-by-step instructions.
- **IRS Form SS-4: Application for Employer Identification Number.** If you don't already have one, you need to get one. You can submit this form with the 1023 application.

#3. Incorporate

To qualify as a 501(c)(3) you must first file articles of incorporation to be registered in your state as a nonprofit corporation. Pay careful attention in creating the corporation documents—it can be tedious to amend them once they're filed. While the process is similar from state to state, each state has its own requirements and procedures. IRS looks closely at the organization's purpose and powers—as described in the articles of incorporation—to determine eligibility. State your organization's purpose in terms that IRS will easily recognize as complying with 501(c)(3) requirements.

#4. Write bylaws

The IRS requires applicants for tax-exempt status to submit bylaws. Especially for SILCs attempting to be as autonomous as possible, comprehensive bylaws can be really useful in establishing ground rules for how you'll conduct business, relate to other organizations and agencies (like the DSU), budget and spend money and other important aspects of being a stand-alone organization.

#5. Shape up your plan

A good plan that outlines your organization's purpose and planned activities will not only help you stay on track program-wise, it will be useful in developing the financial documents and description of activities required by IRS.

#6. Organize your financial records

Financial data comprises a big part of the IRS application for tax-exempt status. Depending on how long the organization has been in existence, IRS asks for detailed revenue and expense information for the current year and as many as three years in the past. Startup organizations with less than a year under their belts must submit financial information for the current year and projections for the next two years.

#7. Get help

It's not impossible to put together the IRS tax-exempt application on your own. But, because it is an important legal document, veterans of the process strongly encourage consulting with a lawyer or CPA familiar with the laws and processes—if only for a couple of hours of consultation.

#8. File with IRS

To be designated as a tax-exempt organization, IRS must approve your application. If you've done your homework, the application may zip right through the approval process. If IRS asks for more information or clarification of what you've submitted, don't panic—that's not unusual. IRS Publication 557 provides useful information about how and what to file with the application.

Professional help today may prevent troubles and headaches tomorrow

Bill Kennemore, certified public accountant (CPA), knows nonprofits. Approximately 70 percent of his practice in Duluth, Ga., is devoted to nonprofit organizations—including the

Georgia SILC. Based on an interview with Kennemore, the following are some pointers for how to find—and what to do with—a CPA:

- Even if it's just for a two-hour meeting, it's a good idea to consult with a CPA about your plans for becoming a nonprofit and the things you need to do. He or she can help sort through things like what fiscal year to use, what accounting method is best for your organization and how to create a financial plan that IRS will accept. You'll have to spend some money, but it's likely to be a lot less than what you'll pay to clean up a mess later on—when IRS slaps a penalty on you, for instance.
- Locate a CPA who has experience working with nonprofits. Ask how much of their business is devoted to it. Ask for names of some of their clients. Find out the typical size of the organizations they work with. Look for a CPA who works with groups that resemble yours.
- Find a CPA who's familiar with the kind of work you do and knows what's required of groups that get state and/or federal grants and/or contracts (i.e., audits, reporting requirements).
- If you don't know a CPA who fits the bill, check around with other nonprofits that are similar in size and function to yours. Talk to some of your community leaders who are likely to have been down the nonprofit path a time or two.
- Be a little cautious of prominent local attorneys or CPAs who volunteer to donate the services. Often they will delegate the task to a staffer who may not have the necessary experience or background.
- Be cautious, too, of board members or volunteers who offer to handle it. They may have excellent experience handling nonprofit matters—and that's good. Then again, they may not.
- If you're going to do fundraising as a nonprofit, don't start before you actually are a nonprofit. Sometimes groups get the cart before the horse and generate funds before they're legitimate nonprofits. IRS has a word for this—fraud.

Starting Points

get info for & about nonprofits

About.com Start a Nonprofit –nonprofit.about.com
Charity Lobbying in the Public Interest (CLPI)–
<http://www.independentsector.org/clpi>

Development Resource Group, Inc. (DRG), The Difference webzine –
<http://www.drgnyc.com/>

Nonprofit Genie –<http://www.genie.org/>

Nonprofit Risk Management –<http://www.nonprofitrisk.org/>

National Center for Nonprofit Boards (NCNB) – <http://www.ncnb.org/>

Internet Nonprofits Center –<http://www.nonprofits.org/>

Foundation Center –<http://www.fdncenter.org/>

get forms

IRS Information for Tax Exempt Organizations–

http://www.irs.gov/bus_info/eo/index.html

National Association of State Auditors, Comptrollers and Treasurers –

www.sso.org/nasact*

National Association of Secretaries of State – www.nass.org/sos/sosflags.html*

United States Postal Service –new.usps.com (click to Business Mail 101/Nonprofit Rates)

get help

National Council of Nonprofit Associations – www.ncna.org*

American Institute of CPAs – www.aicpa.org*

Exemption Advisory Services (Guide to IRS Form 1023) –
members.aol.com/irsform1023/

The nonprofit lobby

Lobbying. It may not be the only reason SILCs are considering “going nonprofit” but it is certainly among the top motivators mentioned by those we spoke with for this newsletter. For them, shaping public policy is an important part of advancing the independent living movement. And the way to do that is to be right there in the arena with the folks who make the policy.

There is no question about it—501(c)(3) nonprofit organizations can lobby. Yet, many of these groups are nervous and uncertain about it. Maybe it’s because they don’t know the rules—and there’s no question it’s important to know and understand them. Maybe it’s because some policy-makers (who may not know the rules either) have made them afraid. Whatever the reason, the good news is there are some great resources available to get educated about nonprofit lobbying. For information developed specifically for the IL community, check out ILRU’s **Frequently Asked Questions About Lobbying**, available online at www.ilru.org/ilnet/files/reading/lobbying.html

The **Charity Lobbying in the Public Interest** website is another outstanding resource—especially for information about how to lobby legally with fewer restrictions. Get there via Independent Sector’s home page: <http://www.independentsector.org/>.

New Mexico SILC came “this close” to making the transition to nonprofit

To this day, Julie Ballinger is amazed at how it all fell apart. Three years ago, the New Mexico SILC was on the brink of becoming a nonprofit organization. At the time, Ballinger was a council member and a CIL director. She was among a few SILC members who were the driving force behind the effort. For months, she recalls, council members discussed, negotiated and worked hard to get the papers filed and every detail nailed down. They even had the future director on board to guide the new 501(c)(3) into new organizational waters.

Then, with no warning, the effort came to an abrupt halt. Disheartened and frustrated, SILC members simply walked away from it and, to this point, haven’t tried again. “Everybody just took a deep breath and moved on,” Ballinger sighs.

It would be even worse, says Ballinger, IF the SILC had been trying to escape a controlling DSU. That was not the case. In fact, the council enjoys such a positive relationship with VR Director Terry Brigance (who supports the SILC becoming a private nonprofit organization), some council members were initially reluctant to change things. But Ballinger, who is now married to Brigance, says she persistently repeated the message that “DSU directors come and go.” Beyond that, she says “we felt it was important to establish our own identity separate from the DSU, regardless of the good relationship.”

In addition to the usual things that come up in the course of incorporating and getting established as a 501(c)(3), the SILC had to work its way through some procurement and funding issues peculiar to New Mexico state law. But even those complexities were not the final stumbling blocks. In the final analysis, it was a personnel issue that brought the process to a painful end.

From the time the SILC was created, a consultant—controlled by the SILC and paid for by the DSU—coordinated its activities and provided administrative support. As a nonprofit, the SILC planned to establish a full-time executive director’s position. In fact, they had already found the person they wanted and he had moved to New Mexico to lead the SILC into the transition of becoming an accountable, full-fledged nonprofit. He agreed to come on as a co-consultant until the transformation to a freestanding nonprofit was complete. Ballinger says, at the time, it seemed like the ideal situation because he would have some time to learn the ropes and the outgoing consultant could finish out her contract with the DSU.

It was less than ideal. The consultants clashed. They accused each other. They accused the VR agency. And the new guy left on two days' notice. "Talk about hours and hours of work just going down the tube," Ballinger says sadly. "It put us in terrible disarray." In hindsight, she says, it might have been better to skip the transition step and let a new director take on the challenges of running the operations of a brand new nonprofit and learning about the SILC at the same time.

If nothing else, the situation highlights the importance of developing strong skills in an area that may be new to SILCs that are stepping out on their own for the first time—personnel management. Blase Gaude, who chairs the SILC now and was on hand for the debacle, says if nothing else "we've learned some important lessons about the recruitment process and some of the complications that go along with being responsible for an employee."

Guade says, while there hasn't been any serious discussion about it since the failed effort, the option to go nonprofit remains open. "Because we have a great relationship with the VR director right now," he says, "we're not setting roofs on fire to get it done." But, he adds, "we do want to be in position in the event things change—which can easily happen in government."

Julie Ballinger is a disability rights and independent living consultant in Albuquerque, NM, and can be contacted at 505-797-8612 or by e-mail at julieb4@flash.net. Contact Blase Gaude, SILC chair, at bpgaude@sandia.gov or call 505-844-5749.

Can you name the 14 states in which the SILCs have become 501(c)(3) nonprofit organizations?

Arkansas
Florida
Georgia
Hawaii
Illinois
Kansas
Michigan
New York
Pennsylvania
Tennessee
Texas
Utah
West Virginia
Washington, DC

Innovative CILs

ILRU and NCIL are pleased to announce the programs selected as Innovative CILs and SILCs 2001. Look for detailed descriptions of these programs and tips for launching similar projects in upcoming issues of Readings in Independent Living. Blue Ridge Independent Living Center

Roanoke, VA
Restaurant Reviews
Center for Independence
Grand Junction, CO
Cross-Disability Computer Users Group
Northeast Independent Living Program, Inc.
Lawrence, MA
Employment Program
Northwestern Illinois Center for Independent Living
Rock Falls, IL
READY Bonus Program for Personal Assistants
Red Rock Center for Independence
St. George, UT
Outstationing Program
South Dakota Statewide Independent Living Council
Home Modifications/Assistive Devices Program
Southeast Alaska Independent Living
Juneau, AK
Outdoor Recreation and Community Access (ORCA)
Southeastern Minnesota CIL, Inc.
Rochester, MN
Ability Tech
Westside Center for Independent Living
Los Angeles, CA
Mental Health Peer Support Project
Wisconsin Coalition of Independent Living Centers
Madison, WI
Quality Indicators for Independent Living Services

Net Notes

- Declaring that “unjustified isolation or segregation of qualified individuals with disabilities through institutionalization is a form of disability-based discrimination,” President Bush signed his long-awaited Executive Order on ***Community-Based Alternatives for Individuals with Disabilities*** on June 19. The order and a fact

sheet are posted on the White House website:<http://www.whitehouse.gov/news/releases/2001/06/20010619.html>.

- The Health Care Financing Administration has issued a solicitation for proposals related to its **Systems Change for Community Living** initiative, described in detail in our last issue of ILRU Network. There are four distinct grant solicitations in the coordinated invitation: Nursing Facility Transitions, Community-Integrated Personal Assistance Services and Supports, Real Choice Systems Change and National Technical Assistance for Community Living. You may recall that CILs are specifically named as eligible applicants in the Nursing Facility Transitions and PAS grants. The deadline for the Technical Assistance grant is July 16. The rest are due July 20. More detailed information is available online at HCFA's website: <http://www.hcfa.gov/medicaid/systemschange>
- There's still time to sign up for the last of this year's **Learning Online** training series—Ethics and Values. The deadline for registration is Aug. 20. The three-week course begins Sept. 10. The training will be conducted as a "forum" in which participants take part in discussions led by instructor Richard P. Oestreich, Ph.D. Learning Online is a collaborative effort of the IL Net, ILRU/NCIL National Training & Technical Assistance Project and Rehab Leadership Program at the University of Northern Colorado. For more information about the course and how to register, visit the IL Net Training Calendar on the ILRU website <<http://www.ilru.org/>> or send e-mail to ilru@ilru.org.
- Is your flame of enthusiasm for advancing the causes of the independent living movement in danger of flickering out? Are the high demands for your time, energy and creativity pushing you to the brink of burnout? If so, you won't want to miss our next issue of ILRU Network. **The topic is burnout**—what's causing it, the toll it's taking on the IL community and ideas for what to do about it. We want the newsletter to be meaningful to you, and you can help make sure it is by sharing your own experiences with burnout, resources you've found helpful and/or ideas for keeping that fire burning. Send your comments via e-mail to ilru@ilru.org or call Carri George at 713-520-0232.

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West Virginia SILC Organizational Documents

WEST VIRGINIA STATEWIDE INDEPENDENT LIVING COUNCIL

POLICY MANUAL

Adopted February 3, 1999

Revised January 16, 2002

CONTENTS

Topic	Page #
General Policies and Philosophy	1
Council Member Policies	2
honorariums.....	2
travel expenses	2
conferences and/or meetings	2
accommodations	2
personal assistance services.....	2
respite care, transportation, and other supports	3
interpreter services	3
relationship between council members and SILC staff	3
Employment Policies	3
welcome	3
General Personnel Information	3
job description	3
personnel records.....	4
confidential information.....	4
discrimination.....	4
harassment.....	4
Conditions Governing Employment	4
drug-free workplace.....	4
convicted of violating drug laws	5
expected to obey all laws	5
politically informed and active.....	5
SILC office may be searched.....	5
any mail received.....	5
employment outside	5
conflict of interest.....	5
Attendance and Compensation	6
normal office hours	6
lunch and breaks	6
work week.....	6
employee classifications	6
paychecks.....	7
garnishment.....	7

Employee Benefits	7
annual leave	7
sick leave	8
maternity leave	9
family leave.....	9
bereavement leave	9
leave without pay.....	9
military leave.....	9
civil leave	10
holidays	10
worker’s compensation	10
insurance	11
retirement	11
direct deposit	11
reimbursements.....	11
Other Employment Policies	12
confidentiality and communications	12
making statements or giving interviews	12
affirmative action and accommodation	13
smoke free environment	13
alcoholic beverages	13
environmental illnesses	13
communicable diseases	13
employee evaluations.....	14
salary increases.....	14
hiring policies.....	14
Disciplinary Action and Grievance Procedures	15
Governance Policy	16
Fiscal Policies	16
internal controls	16
safe-guarding assets	16
policies and procedures on expenditures	17
inventory	17
cash receipts	17
cash disbursements.....	18
bank statement reconciliation	18
management information systems	18
inter-fund borrowing.....	19
non-expendable property.....	19
compliance with all Federal and State laws and regulations	20
annual budget process	20

Certification of Receipt of Policy Manual21

WEST VIRGINIA STATEWIDE INDEPENDENT LIVING COUNCIL

POLICY MANUAL

GENERAL POLICIES AND PHILOSOPHY

The West Virginia Statewide Independent Living Council, known as the SILC throughout this manual, is a private non-profit corporation established to develop and monitor the state plan for independent living (SPIL). This responsibility is held jointly with the West Virginia Division of Rehabilitation Services (DRS). Mandated under the Rehabilitation Act of 1973 as amended in 1992, the SILC has chosen to incorporate as a non-profit organization to maintain its autonomy from any state agency. The governing body of the SILC, hereafter referred to as the Council, is composed of thirty individuals, twenty-four voting member appointed by the Governor of West Virginia based on recommendations provided by the Council after a nominations and review process, and five ex-officio, non-voting members representing various state agencies and/or providers. A majority of the voting members are individuals with disabilities who are not employed by any state agency or a center for independent living. Funding for the SILC is federal funding from the Rehabilitation Services Administration (RSA) provided by Title I and Title VII, Part B of the Rehabilitation Act through DRS. In all other respects, the SILC is an independent, non-profit corporation. Additional funding includes donations and funds generated by SILC activities. All policies governing the activities and operations of the SILC are made by the Council. The Council appoints the executive director who is directly responsible for managing the SILC office and conducting the work of the Council.

The SILC is governed by federal, state and local laws, articles of incorporation, by laws, and these policies.

The SILC is grounded in and guided by the “independent living philosophy”, a set of values, principles, and beliefs that people with disabilities have the right to live and work independently in the community, having choice/control over acceptable options for doing so. Personal choice and control are key to independent living. The independent living philosophy is one of consumer control, peer support, self-help, self-determination, equal access, and individual and systems advocacy in order to maximize the leadership, empowerment, independence, and productivity of individuals with disabilities, and the integration and full inclusion of individuals with disabilities into the mainstream of society. This philosophy dictates that individuals have protection under the law and shall not be discriminated against on the basis of their disability. Laws protecting people with disabilities include the Civil Rights Acts, the Americans with Disabilities Act, the Rehabilitation Act, the Air Carriers Access Act, the Human Rights Act, and the Fair Housing Amendments.

The vision, mission, and values of the SILC were developed by a diverse group including Council members, consumers, and employees of agencies working with

individuals with disabilities. They are:

VISION

“To be a consumer-controlled council that is effective in leading a statewide independent living movement that empowers persons who have disabilities.”

MISSION

“To ensure persons who have disabilities have access to community-based resources that promote personal choice and facilitate the achievement of their independent living goals.”

VALUES

“The West Virginia Statewide Independent Living Council is committed to the following values: freedom of choice; diversity; respect for others; quality of life; equality; excellence; fiscal responsibility; self-reliance and self-sufficiency; and inclusion.”

COUNCIL MEMBER POLICIES

SILC members receive an honorarium and reimbursement for reasonable and necessary expenses for attending council meetings.

Honorariums are paid only for regular, full-day SILC meetings.

Travel expenses will be reimbursed following the policies on pages 11-12 of this policy manual. Expense accounts will be processed during the first check cycle after all are received in the SILC office. Failure to submit expense accounts in a timely manner will delay the reimbursement process for all council members. Expense accounts must be submitted no later than 30 days after the meeting for which expenses were incurred.

Expense accounts received after 30 days will not be processed unless authorized by the executive committee. Council members receiving SILC sponsorship to attend conferences and/or meetings may submit expense accounts for those activities following the same procedures. Travel expenses for family members will not be paid or reimbursed by the SILC.

SILC sponsorship to attend **conferences and/or meetings** must be requested, in writing, and approved by the SILC prior to attendance in order for expenses to be reimbursed.

The Council supports the participation of its members by ensuring that council meetings and activities are fully accessible and providing **accommodations** to Council members with disabilities. It is each council member's responsibility to request necessary accommodations. Accommodations will be provided at all SILC meetings and activities once a council member confirms with SILC staff that they will be attending the meeting or activity.

Personal assistance services will be reimbursed at a reasonable rate. Council members are responsible for arranging the PAS (personal assistance services) they need and for supervising their PA (personal assistant) during SILC meetings and activities. PAs are welcome and encouraged to attend council meeting with members who require such assistance. PAs are expected to serve the needs of the council member and should not participate in the council meeting. As a member of the public, a PA is welcome to address the council during the "public forum" portion of the agenda after requesting to do so. If you need assistance determining your PAS needs and developing an agreement with a PA to provide services during SILC meetings and functions, SILC staff may provide such assistance. PAs must be eighteen or older and provide necessary PAS to the council member without staff assistance. A family member who meets these requirements may serve as a PA.

Reimbursement for **respite care, transportation, and other supports** necessary for active participation at SILC meetings will be processed on council member expense accounts.

Interpreter services will be arranged for any SILC meeting, provided a request for such services is received in the SILC office not later than one week prior to the meeting.

The **relationship between council members and SILC staff** is a professional one. SILC staff provide support and assistance to council members, as needed to support active participation, in addition to a wide variety of other job duties. Members are asked to remember that 30 council members cannot expect staff to provide individual supports and assistance at all times due to the many duties and demands on their time. The administrative assistant reports to the executive director who reports to the executive committee. Individual council members should direct questions or concerns about staff responsibilities and performance to the executive committee.

EMPLOYMENT POLICIES

Welcome:

Congratulations and welcome to employment with the West Virginia Statewide Independent Living Council. These policies are provided to explain the conditions of your employment, the guidelines for that employment, and to ensure the quality and efficiency of operations of the SILC. The SILC is an equal opportunity employer and does not discriminate on the basis of race, creed, color, national origin, political affiliation, religion, sex, age, or disability. The SILC is committed to the employment of competent individuals, treated with dignity and respect and to providing working conditions that are conducive to good morale and a positive working environment.

These policies are in effect for all paid personnel. Every effort will be made to accommodate employees personal needs however, there may be some requests we are unable to grant. Should you disagree with any policy or decision regarding your employment with the SILC, you are encouraged to follow the grievance procedure

outlined in these policies.

GENERAL PERSONNEL INFORMATION

Each staff member shall be provided with a **job description** approved by the Council. You are requested to review your job description and provide feedback to the executive director regarding changes and improvements. Should the responsibilities of your position change, you will be responsible for revising your job description to reflect those changes and submitting it to the executive director for consideration. Should no further revisions be needed, the executive director will submit the new job description to the Council for approval. At that time, the Council may either approve the job description or request further revisions. A member of the executive committee may then work with you and the executive director to negotiate final revisions before final Council approval.

The SILC maintains **personnel records** on each employee containing application, references and other information connected with employment. These records also contain job descriptions, evaluations, and other information related to job performance. Personnel records are confidential and are the property of the SILC. Any employee has the right to examine his/her own personnel records. The employee has the right to place a written statement in his/her own file regarding any item he/she finds objectionable after consulting with the executive director about the possibility of the item being removed completely and having that request denied.

Auditors may review personnel files in the performance of their job. These reviews may be conducted only in the presence of the executive director and only in the SILC office.

Should you have reason to provide **confidential information** about yourself to the executive director or council members, that information will be kept confidential and will be revealed only on a need to know basis. The conditions upon which such information will be revealed will be determined by the executive director and the Council. Such conditions may include the effective operations of the SILC, in case of a medical emergency, and in legal compliance with government investigations.

Discrimination on the basis of gender, religion, race, disability, national origin, or sexual orientation will not be tolerated. If you believe you have been discriminated against, you should notify the executive director immediately. If the results of that contact are not satisfactory, you should follow the grievance procedure outlined in these policies.

Harassment of any type is also unacceptable to the SILC. Members of the Council and employees must make reasonable efforts to be sensitive to individual differences. Should you encounter harassment during your employment with the SILC, report it to the executive director and/or follow the grievance procedure. Every attempt will be made to rectify the problem as quickly as possible. If you should witness the harassment of another employee, council member, or member of the public by an

employee or council member, report the incident to the executive director immediately.

CONDITIONS GOVERNING EMPLOYMENT

All employees of the SILC serve at the will and pleasure of the Council and may be terminated at any time with just cause or no cause at all. By the same token, any employee may terminate his or her employment with the Council at any time with just cause or no cause at all.

The SILC is required by the federal government, as its funding source, to maintain a **drug-free workplace**. All employees will be required to sign a certification that they do not use, distribute, dispense, possess, or manufacture any controlled substance in the workplace. Any employee found to be conducting such activity may be terminated and will be subject to disciplinary action. An individual who wishes to disclose having a problem with a controlled substance and to seek appropriate rehabilitation will be provided with assistance from the SILC. Such assistance will be limited to information about available programs and counseling, as there are no financial resources to pay for such rehabilitation.

Any employee who is **convicted of violating drug laws** while at work or on SILC business is required to report the violation, in writing, to the executive director within five days of such conviction. If you witness such a violation by another employee, you are required to report the violation to the executive director or council chairperson.

All SILC employees, council members, volunteers, or others conducting SILC business are **expected to obey all laws**. If you believe the SILC is not obeying the law, you should inform the executive director or council chairperson of your concern. If the issue cannot be resolved internally, you have the right to contact the appropriate officials to pursue the matter further. It should be recognized by all SILC employees, council members, and others that their actions can reflect on the SILC whether they are at work or on their own time. If an employee is charged with any crime, he or she must keep the executive director informed about the case.

The SILC encourages all of its employees and council members to be **politically informed and active**. However, the expression of strong political opinions while at work or while being recognized as a SILC representative is prohibited. This policy is to ensure that the workplace is not disrupted and that the SILC is not seen as campaigning or lobbying, from which it is prohibited.

Anything inside the **SILC office may be searched** at anytime by the executive director or the council executive committee. Such a search may be conducted to ensure the work place is drug free, to investigate a possible theft, or for no reason at all. This includes all desks, files, storage areas, computers, and any other SILC property.

Any mail received at the SILC office or post office box is assumed to be related to SILC business. You should know that all mail may be opened by someone other than the addressee. Any personal or confidential mail should be received at home or another address.

Any employee who accepts or maintains **employment outside** of the time they spend employed by the SILC must report the employment to the executive director or council chairperson and provide phone numbers and an address for the other employer in case he/she must be contacted at the other workplace. It is expected that each employee will give his/her full attention to the work of the SILC and will not engage in outside employment that will interfere with that work or prevent them from doing their best.

Conflict of Interest - SILC employees are expected to support the work of the Council and to refrain from doing anything that would interfere with its success. Employees should not provide any information to a competitor (an entity competing for the same grant, contract, etc.) that would adversely affect the SILC's success in its endeavors. Likewise, employees should not take advantage of opportunities for personal gain when dealing with grantees, suppliers, customers, etc. Any employee that has a concern that a conflict of interest is present or may appear to be present, should inform the executive director immediately.

An individual may not be hired for, or continue in, a position that is supervised by a member of that person's immediate family. Should a promotion or marriage occur which would result in this being the case, the two employees will be required to determine which will resign from employment with the SILC. If the employees are unable to make such determination within a reasonable amount of time, the employee with the shorter tenure will be terminated. Similarly, no council member or members of their families may be a paid employee of the SILC.

ATTENDANCE AND COMPENSATION

The **normal office hours** for the SILC are 8:30 a.m. to 4:45 p.m. All employees are expected to report to work in a timely manner and to give their full attention to work during their scheduled work hours. If an employee will be late for work or must take unscheduled sick or annual leave, that employee should report those circumstances to the executive director within 15 minutes of the scheduled work time. Should circumstances prevent reporting in during the first 15 minutes of work, the employee should report in as early as possible.

Each employee shall receive **one hour for lunch** and **two fifteen minute breaks** (one in the morning and one in the afternoon) each day. Breaks and lunch may not be saved or taken together or taken at the end of the scheduled work day.

The **work week** for the SILC will be Sunday through Saturday, with normal work days being Monday through Friday. The work week for full-time employees shall be thirty-six

and one quarter hours (36.25) or seven and one quarter (7.25) hours per day for five days.

The **employee classifications** required by the Fair Labor Standards Act include three types of employees: exempt, non-exempt, and hourly.

Exempt employees are exempt from overtime provisions of the act. Exempt employees include those whose primary duties are management or those which require knowledge of an advanced field, require creativity, or are predominately intellectual, and/or who supervise others.

Non-exempt employees are those whose duties are not classified as exempt and who are scheduled to work full-time or part-time.

Hourly employees are those who work only as scheduled and do not have a regular full-time schedule (over 30 hours per week).

Exempt and non-exempt employees are both considered to be salaried. That is, they are paid a certain salary to perform the duties of their position. The employee may have hours of work which fluctuate from week to week and the salary is a fixed amount.

An exempt employee will not receive overtime compensation. An exempt employee may be permitted to work an adjusted schedule to avoid excessively long hours when evening or weekend work is required. Such an adjusted schedule must be approved by the executive director prior to being worked.

A non-exempt employee must have written authorization prior to working over forty (40) hours in any given work week. The schedule for a non-exempt employee should be adjusted in order to prevent the occurrence of overtime (over 40 hours per week). In the event that the non-exempt employee's schedule cannot be adjusted and overtime work is a necessity, the employee will be compensated at time and a half their normal wage per hour.

An hourly employee may not work any hours in excess of his/her scheduled time and/or forty hours per week without written orders from his/her supervisor to do so.

No employee will be compensated at a rate that is less than the current minimum wage.

The SILC distributes **paychecks** every other Friday. Paychecks may not be distributed or received prior to the designated pay day without authorization by the executive director or council chairperson. Paychecks will not be released to anyone other than the employee without prior, signed authorization from the employee.

Wages may be subject to **garnishment**. Should an employee's wages be garnished, the SILC will comply with the law and applicable court orders to make payments as directed. The employee is expected to cooperate with this process.

EMPLOYEE BENEFITS

Benefits are provided to all full-time employees. Part-time and hourly employees are not eligible to receive all benefits. Each employee will be informed of the benefits they will receive at the time of employment.

Annual leave will be accrued by scheduled full-time and scheduled part-time employees. Accrual rates are based on years of service with the SILC.

Annual Leave Accrual for Scheduled Full-time Employees

Years of Service	Hours Accrued		Maximum Days Per Calendar Year
	Per Month	Per Pay	
0 to 5 years	10	4.62	16.57
5 to 10 years	12	5.54	19.87
10 to 15 years	14	6.46	23.17
15 or more years	16	7.38	26.48

Leave accrual for scheduled part-time employees will be prorated at .063862 times the number of hours worked each pay period.

Annual leave accrual begins immediately upon employment. Annual leave may not be used until after the first month of employment. A written leave request should be submitted at least two weeks in advance for supervisory approval. The amount of leave approved may not exceed the amount accrued.

Annual leave may be carried over from one calendar year to the next at the following maximum levels:

Maximum Annual Leave Carry Over

Years of Service	Maximum Carry Over
0 to 5 years	240 hours
5 to 10 years	280 hours
10 to 15 years	320 hours
15 or more years	360 hours

Any annual leave above the listed maximums that is not used by the end of the calendar year will be lost. Annual leave may not be transferred to another employee.

An employee who resigns (with two weeks notice), is laid off, or is granted a leave of absence will be paid for any unused accrued annual leave up to a maximum of 320 hours. The leave will be paid at the most recent wage per hour received by the employee. Payment will be made, subject to availability of funds, by one final check at the next regular pay day following the employee's last work day.

Sick leave will be accrued by scheduled full-time and scheduled part-time employees. The accrual rate for sick leave will be 5.54 hours per pay period or approximately 20 days per year. The rate remains the same regardless of years of service with the SILC.

Sick leave will be accrued continually throughout employment with the SILC and can be carried over from year to year. An employee who leaves employment with the SILC for any reason will not be paid for unused sick leave.

Leave accrual for scheduled part-time employees will be prorated at .076414 times the number of hours worked each pay period.

Sick leave is an insurance benefit provided by the SILC to its employees. Sick leave is provided solely for the purpose of avoiding a financial hardship due to illness and should not be abused or viewed as an entitlement.

Sick leave may be used in the case of illness, for doctors' appointments or medical treatment. If an employee is unable to report to work due to illness, he/she should report that circumstance to the executive director within fifteen minutes of the scheduled report time. Should circumstances prevent the employee from making that report within fifteen minutes, he/she should notify the executive director as soon as possible.

Sick leave may also be taken when family illness or family medical/dental appointments require the employee's absence from work. Family sick leave is limited to forty (40) hours per calendar year. Sick leave charged to family illness and taken in excess of 24 consecutive hours requires a statement from the attending physician verifying the illness of the family member. Should the employee be required to be absent from work above the forty hour limit, annual leave may be used.

A written request for sick leave should be submitted at least two weeks in advance for scheduled appointments or treatment and immediately upon returning to work for sick leave due to illness.

If an employee is absent from work for more than three consecutive days, a written signed statement from an attending physician must be obtained and attached to the corresponding sick leave request. In the absence of the physician's statement, annual leave shall be charged for the entire period. For extended periods of sick leave, a physician's statement will be required every thirty (30) calendar days.

The use of sick leave as **maternity leave** is allowable for the delivery and hospital stay. Additional sick leave may be used as long as the employee can provide a physician's statement supporting the medical need for leave. If the employee desires additional time off, annual leave may be requested at the discretion of the executive director. Additional unpaid leave is available under the Family and Medical Leave Act.

Family Leave - The Family and Medical Leave Act, passed by Congress, ensures that an employee has access to leave to take care of themselves or family members due to

illness. The Act allows up to twelve (12) weeks of unpaid leave each year for the following:

- Birth or adoption of a child
- Illness of a child, parent, spouse, or live in companion of the employee
- Illness of the employee

Uncharged leave will be provided to any employee when there is a death in the employee's immediate family. Immediate family is defined as spouse, child, parent, sibling, grandparent, grandchild, step-child, step-parent, parent-in-law, son or daughter-in-law, or live-in companion. **Bereavement leave** is limited to three days, including travel time. If more than three days is needed, the executive director has the discretion to approve a written request for up to three additional days. Any absence of more than six days for bereavement will be charged to annual leave.

Leave without pay - SILC employees who have exhausted all available annual and/or sick leave or have need to be away from work for an extended period of time may request a leave of absence or leave without pay. All such requests must be submitted in writing to the executive director two weeks prior to the anticipated start date for the leave. During a leave of absence, the employee will not accrue annual or sick leave hours nor will the employee receive holiday pay. A leave of absence may be granted for no more than six months at which time an extension may be granted by the executive director and/or Council. During a leave of absence, health insurance may be continued. After one month, the employee will be responsible for the total insurance premium.

Military Leave - Any employee who is a member of the National Guard, any reserve unit of any branch of the US Armed Forces, or for some other purpose is called for temporary military duty and/or training will be given up to two weeks (ten working days) of paid leave to meet this obligation. Any military leave in excess of ten working days will be charged to the employee's annual leave or taken as leave without pay.

Civil Leave - If an employee is subpoenaed by a federal court or state court to serve on a jury or to provide testimony for the state or federal government and will be compensated for his/her time, the employee will have two choices of how to handle leave to serve. The employee may use annual leave and retain the compensation provided by the court or the employee may be granted uncharged leave. If the employee chooses to take uncharged leave, the compensation received by the employee from the court will be credited against the compensation provided by the SILC. The employee must submit a written request to be granted leave for this purpose and must accurately report any compensation he/she receives when taking uncharged leave.

An employee that has been subpoenaed in private litigation to testify as an individual must take annual leave or leave without pay for the time absent from work and any compensation received will be retained by the employee.

Holidays - Holidays are provided to all full-time employees. The SILC office will be closed for all state holidays, for any statewide primary or general election, and for any holiday proclaimed by the Governor, the President, or other duly qualified authority.

Paid holidays include:

New Year's Day
Martin Luther King, Jr.'s Birthday
Lincoln's Birthday
Washington's Birthday
Memorial Day
West Virginia Day
Independence Day,
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Christmas Eve 1/2 day
Christmas Day
New Year's Eve 1/2 day

One additional day will be provided which can be used as a holiday or personal day of the employee's choice. In keeping with the SILC's non-discrimination policy, listed holidays may be substituted for other religious holidays with advance notice by reviewing the holiday calendar upon employment. When Christmas Day and New Year's day fall on Saturday or Sunday, one day of holiday for each will be observed on the preceding Friday or the following Monday, respectively.

Worker's Compensation - The SILC pays into the WV Worker's Compensation Fund as insurance against on the job injury. Any employee who has an injury or experiences an illness that is work related may be eligible to receive benefits under the Worker's Compensation Act. Should such an injury or illness occur, the employee should immediately notify (within 24 hours) the executive director and submit the required forms for making a claim. In compliance with the act, the employee must give notice of injury or illness to the SILC within thirty (30) days and must file a claim with the Industrial Accident Board within six (6) months. It is important for employees to understand that the SILC shares the cost of any approved claim. The SILC reserves the right to request that an employee obtain a second doctor's opinion regarding illness or injury that results in the receipt of benefits. The first goal of the SILC is for the employee to return to work and accommodation, under the principles of the Americans with Disabilities Act, will be made to the greatest extent possible to make that happen. An employee receiving Worker's Compensation benefits may choose to use sick leave (or annual leave if sick leave is exhausted) at a rate that will bring to employee's total compensation up to but not greater than their employee's regular rate of pay. If the illness or injury continues beyond the time that benefits are exhausted, the employee may then use any remaining sick leave. Once sick leave has been exhausted, annual

leave may be used. Once all sick leave and annual leave have been exhausted, the employee must apply for leave without pay and will not continue to accrue annual and sick leave.

Insurance - The SILC will provide all full-time employees with single coverage health insurance under a group policy subject to availability of funds. Family coverage or employee plus dependent coverage will be available with the increase in the premium being the responsibility of the employee and paid by payroll deduction. Scheduled part-time employees will be given the opportunity to join the group policy but will be required to pay their own premiums through payroll deduction. A small life insurance policy will be included in the group coverage for each covered employee.

Retirement - The SILC does not have a mandatory retirement age for its employees. Any employee who wishes to retire should notify the executive director as soon as that decision has been made. It is expected that the employee will provide a reasonable notice before leaving employment with the SILC. The SILC does not have a retirement plan for its employees. Full-time employees will, however, be provided with a contribution to a **tax sheltered annuity (TSA)** on an annual basis at 5% of the employee's salary subject to availability of funds. Employees may also make contributions to the TSA through payroll deduction.

Direct Deposit for savings - SILC employees will have the option of payroll deducted savings. Each employee who wishes to participate in payroll deducted savings will need to open a savings account at the primary banking institution used by the SILC and provide the SILC with the account number and a signed authorization for the amount of the deduction. Payroll deducted savings will be withheld and deposited each pay day. Deposits will only be made to the primary banking institution used by the SILC.

Reimbursements - Employees will be reimbursed for approved travel and other approved expenses incurred in job related activities. Travel reimbursement for mileage will be at the current state rate. The current state rate for mileage is \$0.36.5 per mile. Actual meal expenses will be reimbursed up to \$30 per day in state and \$50 per day out of state. Meal expense reimbursement is allowed when travel time begins and/or extends more than two (2) hours beyond the employee's normal work day as follows:

Meal	Reimbursable	% of Daily Rate	In State	Out of State
	travel begins 2 hours			
Breakfast	before reg work day	20%	up to \$6	up to \$10
Lunch	* * *	20%	up to \$6	up to \$10
	travel ends 2 hours			
Dinner	past reg work day	60%	up to \$18	up to \$30

* * * Any employee who qualifies for either breakfast or dinner qualifies for lunch providing the employee is in travel status during his/her normal lunch period. Any employee who normally does not travel and who is required to travel through his/her

normal lunch period is eligible for reimbursement of actual meal expenses for lunch up to 20% of the total daily rate.

Reimbursement will also be provided for commercial travel, lodging, ground transportation, parking, gratuities, SILC related telephone calls, and registration fees for conferences, trainings, etc. Reimbursement will not be provided for personal telephone calls, hotel room movie rentals, expenses of spouse or other traveling companion , or other personal expenses. In order to be reimbursed for lodging, a room receipt showing a zero balance due must be provided.

In order to receive reimbursement, the employee must complete a WVSILC Expense Record and attach corresponding receipts/documentation. Expense Records for travel should be submitted within one week after the end of each month. Expenses for travel to a conference, training, or trip should be submitted within one week of returning. Expenses for approved out of pocket purchases may be submitted immediately upon incurring the expense. Reimbursement for expenses will be made by check at the next pay day if submitted and approved one week prior to that pay day.

OTHER EMPLOYMENT POLICIES

Confidentiality and Communications - All employees and council members are expected to maintain confidentiality when in possession of information regarding individuals with disabilities receiving independent living services, employees, and council members. Names of employees and council members are considered to be public information and should be released upon request. Any other information should not be released without written permission by the individual. All council meetings are open to the public and minutes are public record. No discussions of specific individuals or confidential information should take place during council meetings. In accordance with state law, the Council may go into executive session, with only voting members present to discuss confidential matters. No decisions may be made in executive session.

No employee of the SILC shall **make statements or give interviews** to the press without prior knowledge of the executive director. Similarly, no employee should provide information about the SILC's activities, policies, or positions without first verifying the information with the executive director. Should you choose to be involved with issues that conflict with the position or policies of the SILC, you should discuss these issues with the executive director before making any public statements.

Affirmative Action and Accommodation - The SILC takes affirmative action to hire qualified individuals from all minority groups including racial, disability, age, and gender. The SILC intends to hire qualified individuals with disabilities as a first priority, followed by qualified individuals from other minority groups, maintaining percentages in line with the population of West Virginia. This policy does not require the SILC to hire individuals who are not qualified for the positions or job openings. The SILC will seek and make

effort to identify applicants from all minority groups. The SILC will make reasonable accommodations to individuals as needed to apply for, interview, and/or be hired for job openings within the boundaries of available financial resources.

The SILC operates in a **smoke free environment**. Smoking is not permitted in any SILC office at any time, during or after office hours. Smoking is also prohibited at any SILC meeting whether held at the SILC office or at another facility. Employees or council members who choose to smoke, must do so during breaks outside the office or meeting facility. Employees who smoke are not entitled to extra break time in order to do so. Employees and council members are expected to dispose of their smoking waste in a manner that does not litter or reflect badly on the SILC.

Alcoholic beverages are not permitted in the SILC office at any time. Any employee who reports to work unable to perform his/her job due to alcohol will be asked to leave and will not be provided with any accommodation. If an employee has a problem with alcohol and wishes to quit drinking, they may request information about and/or assistance locating appropriate counseling and rehabilitation programs. Any such request is considered to be confidential and will not be shared except as needed to provide the assistance. Such assistance will be limited to information as there are no funds available to pay for programs.

Alcoholic beverages may be served at a SILC function or activity if it is deemed appropriate by the Council and if the function is held outside the SILC office. No SILC funds may be used for the purchase of alcoholic beverages.

The SILC understands and is sensitive to **environmental illnesses** which may affect employees, council members, and/or members of the public while in the SILC offices or at council meetings/activities. The SILC therefore has established a policy that employees and council members shall wear no perfumes or scented personal hygiene products at public meetings or when it is known that an individual with such sensitivities will be present. Precautions will also be taken to ensure that cleaning products, equipment chemicals, and other materials used in the SILC office and/or at council meetings are safe and generally considered non-hazardous to individuals with environmental illnesses.

Communicable Diseases - Employees with HIV infections or AIDS and other diseases of the blood are protected by the Americans with Disabilities Act from discrimination in the workplace. Employees with progressive or infectious diseases will be accommodated in the workplace as long as they are able to perform the essential functions of the jobs. Any employee who becomes ill with a contagious disease should report this to the executive director so that proper precautions can be taken. All medical information revealed in such a case shall remain confidential and revealed only to SILC officials who need to know.

To prevent the transmission of communicable diseases in the workplace the following precautions will be taken:

- Good personal hygiene at all times
- Careful hand washing immediately after contact with any bodily fluids from yourself or other persons, after going to the restroom, before eating, and before handling food
- Sharing cigarettes, chewing gum, lipstick, food or beverage containers and utensils, and chewing on pens and pencils are prohibited
- Bleeding or oozing cuts or abrasions should be covered at all times
- Disposable gloves shall be worn when:
 - cleaning and disinfecting surfaces
 - giving first aid to another person
 - having direct contact with food for other's consumption
 - washing dishes
 -

The work place will be monitored to ensure that these precautions are followed and that protective equipment is provided. **Failure to observe these precautions could result in dismissal.**

When an employee has tested positive for a communicable disease, this information should be communicated to the executive director so that consultation with the physician regarding the employee's safe performance at work and possible accommodations can occur. Any accommodations or necessary precautions will then be explained, provided, and followed.

Employee Evaluations - All SILC employees will be given an evaluation after the first three months and first six months of employment. Thereafter, employees will be given an annual evaluation corresponding with their hire date. The evaluations will look at quality of work, quantity of work, attendance, relations with co-workers and the public, practice of the independent living philosophy in the work, any issue addressed in a previous evaluation, and any issue of concern. With each evaluation, the employee will be given specific suggestions for improvement and will be given the opportunity to respond to the evaluator's comments. Evaluations will be conducted by the executive director. The council's personnel committee and/or executive committee will conduct the evaluations of the executive director. Evaluations will be taken into consideration when opportunities for advancement and salary increases are available. Employees may request an evaluation at any time.

Salary increases are normally given in October at the beginning of the fiscal year but may be given at any time subject to budget constraints. An employee whose hire date anniversary falls within ninety (90) days of the beginning of the fiscal year may be considered for an increase. Salary increases are subject to availability of funds.

Hiring Policies - All **available positions** with the SILC will be advertised in at least one daily newspaper circulated in Kanawha County. Additionally, the SILC will circulate the announcement of all full-time, non-support staff position openings to the council members, the centers for independent living, the WVDRS Director's Letter, and the ILRU independent living network, and any other effective means of distribution. All openings will be posted within the SILC office and employees shall be given an opportunity for advancement providing they are the most qualified applicant for the position.

The SILC shall recruit to obtain the best qualified person for each position, being sure to target minority and disabled populations.

All **applicants** will be required to submit a written application and/or resume' for each position sought. Applications will remain active for sixty (60) days. All applicants must provide references and references must be contacted before a hiring decision is made. The executive director will have responsibility for all hiring decisions and may or may not seek assistance from the personnel committee of the Council. All information will be considered to be confidential and will be protected as such. Each interviewed applicant will be notified in writing of the SILC's decision. All employment decisions with regard to appointment shall be made only if funds are available for the position. This includes new appointment, promotion, and reinstatement.

The personnel committee of the Council will recruit and make recommendations for the position of executive director. The executive director of the SILC will be selected by the executive committee.

All SILC employees will be provided with a copy of these policies upon employment. The employee should read them, ask any questions he/she may have, and sign the statement verifying the receipt of and agreement to adhere to these policies.

DISCIPLINARY ACTION AND GRIEVANCE PROCEDURES

In cases where an employee violates rules or policies or engages in behaviors contrary to the effective performance of the job/operation of the SILC, disciplinary action may be taken by the executive director or the Council. **Disciplinary action** may include, but may not be limited to: verbal warning, written warning, suspension without pay, termination, and/or prosecution. When disciplinary action is taken, a written report must be provided to the employee with a copy placed in the personnel file of the employee. An employee who disagrees with the action may write a statement of his/her position (which is also placed in the personnel file) and/or file a grievance.

If the employee chooses to file a **grievance**, the procedure will be as follows:

- The employee should attempt to resolve the matter informally by discussing the issue with the executive director.
- The employee may present the grievance to the executive director/and or the council

- personnel committee, by providing a written statement outlining the grievance.
- The executive director and/or personnel committee will attempt to resolve the problem.
 - If the employee is not happy with the resolution, the employee can appeal to the chairperson of the Council or his/her designee. The council chairperson may schedule a meeting of any or all of the parties involved. The chairperson may also refer the matter to the full Council for review or may appoint a committee to consider the matter.
 - The chairperson's decision can be appealed to the executive committee.
 - The executive committee's decision will be final.

While it is hoped that employee problems can be solved before the grievance procedure is initiated, employees who use the procedure will not suffer reprisals of any kind. The employee may withdraw the grievance at anytime. Once a grievance is withdrawn, it may not be re-opened.

GOVERNANCE POLICY

The SILC is governed by the Rehabilitation Act as amended in 1998, all other applicable federal and state laws, and the SILC's by laws (see attached). If you would like copies of any or all of these laws, the executive director will assist you in obtaining them.

FISCAL POLICIES

Internal Controls:

The SILC executive director, in conjunction with the council chairperson and treasurer, shall develop and maintain an accounting system which is in compliance with standards for non-profit accounting. The Council's financial records shall be maintained using the accrual basis of accounting. The SILC's financial and program records shall be audited annually by an independent auditor, hired by the Council for that purpose, who shall examine the SILC's financial management system and report any and all findings, including those required by audits under the Office of Management and Budget (OMB) Circulars A-122 and A-133. These circulars are available in the SILC office.

The executive director, in conjunction with the chairperson and treasurer, shall develop reliable and understandable financial statements in a format acceptable to the full Council. Once developed, these financial statement forms shall be used consistently throughout the year so that executive committee members understand the true financial position of the SILC at any given moment within the year. All council members have access to financial statements and other financial records. Changes to the financial statement format shall be made only after the annual fiscal audit has been completed and then shall be based on a form recommended by the auditor, which is acceptable to the full Council.

Safe-Guarding Assets:

The SILC shall conduct a budget review and monthly comparison of actual expenses to budgeted expenses at each executive committee meeting.

All excess cash shall be kept in a non-interest-bearing account unless such cash is raised through sources which permit the holding of such assets in an interest-bearing account.

Any securities acquired or given to the SILC shall be managed by knowledgeable, qualified, skilled persons selected by the Council to manage such securities.

All essential documents related to SILC contracts, financial records, proof of obligations fulfilled or services performed, governance, and/or personnel shall be kept in a fire-proof place.

The SILC shall maintain appropriate and adequate insurance for all assets, taking into consideration the cost effectiveness of maintaining such insurance over and above the cost of replacing such assets.

Policies and Procedures on Expenditures:

The SILC staff must have approval from the executive committee for the expenditure of any amount of funds not included in the approved annual budget and for any amount over \$1,000. Such approval shall be documented in executive committee minutes and maintained in the SILC office.

The administrative assistant shall maintain, on file, supporting documentation for expenses and shall present such documentation to the executive director who has overall responsibility for SILC programs and fiscal management. Expenses for an amount under \$1,000 shall be approved by the executive director or an executive committee member by signature on a purchase order.

After approval of an expenditure has been acquired, a SILC staff member other than the executive director writes a check to cover that expense drawn on an account established in the SILC's name. Once the check is written, approved documentation and the unsigned check are presented to the executive director and/or individuals with check signing authority from the Council, for signatures.

Once the check is signed, it is mailed to the payee with appropriate documentation. Remaining documentation is filed for future reference. All checks to legitimate accounts payable shall be written within 30 days of receipt.

Inventory:

The SILC shall maintain a perpetual inventory system of all assets - equipment, furniture, and real property. Such records shall indicate how the asset was acquired, through which funding source the asset was acquired, how much the asset cost when

new, and an identification number for the asset. Inventory shall be made available for inspection by any government official duly authorized to examine such lists, including federal or state auditors.

Cash Receipts:

All mail shall be opened in the presence of the executive director and the administrative assistant. All cash and checks received shall be counted and recorded in the presence of the executive director and the administrative assistant on a pre-numbered duplicate receipt log and stamped “for deposit only” immediately upon receipt.

The executive director shall deposit all receipts into the Council’s checking account. The administrative assistant shall record all receipts in the accounting records of the Council.

A third individual, independent of the executive director and the administrative assistant shall review and reconcile the receipts per the bank statement with the cash receipts log and the cash deposits per the accounting records. This review shall be performed and documented monthly.

All receipts shall be deposited in the bank on a timely basis, generally within two days of receipt.

Uncollected debts shall be pursued vigorously by the executive director or her/his designated representative. Contracts with vendors may include a clause which requires vendors who are late with payments to pay an additional percentage of the total value of the contract if they are more than 30 days late in making a payment due.

Cash Disbursements:

All disbursements shall be made by check and prepared by the administrative assistant. Purchase orders are used for all disbursements and shall be approved prior to the writing of checks for payment. The administrative assistant will present the checks, along with all supporting documentation (payment vouchers, invoices, receipts, etc.) to the executive director. The executive director shall obtain proper signatures and then mail the checks to the payees. The administrative assistant shall not be an authorized check signer and shall not be given the checks to mail after proper signatures have been obtained. The administrative assistant shall mark all paid invoices as “PAID” along with the check number and date of payment. The administrative assistant shall update the accounting records for all disbursements.

All checks are pre-numbered. Unused checks are maintained in a locked, fireproof cabinet.

Voided checks are defaced to prevent subsequent use and retained by the SILC.

No checks shall be made payable to “Cash” or to “Bearer”.

The Council requires two signatures on all checks. Advance signing of checks is not permitted.

The Council shall not maintain a petty cash fund.

Bank Statement Reconciliation:

Monthly bank statements are to be delivered, unopened, to the executive director. The executive director will review the statement, canceled checks, and deposit tickets for any unusual or questionable items. Afterwards, the administrative assistant will reconcile the bank statement. Banks statements shall be reconciled in a timely manner, generally within one week of receipt.

Management Information Systems:

Time sheets are used to document hours worked, leave used, and holiday hours each pay period. Time sheets are not required to break down an employee's hours per day if one funding source is covering that employee's salary nor are they required to break down an employee's hours per day if a time study has been conducted within the last year to determine the actual percentage of time devoted to specific tasks as contracted with a federal or state funding source.

Proper documentation is required for all expenditures. Such documentation shall include an approved purchase order, an invoice, and/or a receipt.

An adequate filing system shall be in place for all financial records. This filing system may change from time to time, depending upon who is responsible for maintaining such files. The filing system must be organized to such a degree that a new person, totally unfamiliar with the SILC, could understand and locate a specific file within a relatively short period of time. Financial records, along with other key SILC documents, are to be held in a safe, fire-proof, and locked place. The files must include records of services provided, billings, and receivable and must be efficiently and effectively organized for easy retrieval.

The SILC may acquire a computerized accounting system to manage financial and programmatic information. As long as these computer systems meet the standards set above, there is no need for paper trails of a number of key data. Such computer programs must be held confidentially within the office, must be backed-up daily for protection, and must be capable of printing documents to paper as needed.

Inter-Fund Borrowing:

The SILC shall not engage in inter-fund borrowing within its accounting and fiscal management system to the degree possible.

Inter-fund borrowing may occur only if absolutely necessary (such as late grant payments, etc.) and only with the following safeguards:

- Council authorization;
- preparation of a formal document of a loan due and payable, by a given date, from a given source, to the fund from which the money is borrowed; and
- is ***never borrowed from restricted funds***

Non-Expendable Property:

Competitive bidding is conducted on all substantial purchases. Such purchases are for one thousand dollars (\$1,000) or more and three written bids shall be required in advance of any such purchase.

Purchase orders are required for all major purchases, such as capital items, furnishings, and equipment.

Inventories are maintained as described above.

Depreciation is recorded and incorporated into the SILC's annual independent audit.

Vouchers for in-kind contributions are kept (either capital or expendable items). This is particularly important when individuals who make contributions to the SILC or volunteers who contributed their expenses to the SILC report such contributions to the Internal Revenue Service (IRS). The IRS may later seek verification of such in-kind contributions from the SILC.

Compliance with all Federal and State Laws and Regulations:

The SILC shall comply with any and all federal and state laws and regulations regarding its fiscal management. Most notably, the SILC shall follow the specific accounting and program guidelines detailed in the most recent version of the Education Department's Guidelines and Administrative Rules (EDGAR). A copy of the most recent edition of EDGAR is available in the SILC office.

Annual Budget Process:

The executive director and representatives of the Council shall develop a preliminary program and administrative budget for the entire fiscal year.

The executive director or treasurer shall prepare and present an annual income and expense budget to the full Council for approval. The budget is reviewed by the full Council and changes, revisions, additions, or subtractions are made, as needed.

The full Council approves the fiscal year budget, including projected income, expenses, and fund balances. The approved budget authorizes the SILC staff to make expenditures according to items projected in the expense side of the budget without additional approval from the Council with a check signed for any items of one thousand dollars or less. The budget is also used for points of comparison in regular, bi-monthly financial statements, ensuring that the executive committee members understand the

SILC's financial position in relationship to the planned budget. Financial statements shall be in a format which is consistent with the budget and its categories.

The executive committee reviews and revises the annual budget periodically during the fiscal year, making any needed requests for budget revisions of funding sources.

Annually, the Council shall review the budgetary planning process with the executive director to make any needed changes in this process.

Once approved, the budget is shared and explained to the entire staff so they have a clear understanding of the fiscal parameters and restraints under which the SILC and they, as employees, must operate.

Certification of Receipt of Policy Manual

I certify that I have received a copy of the SILC Policies Manual, have read it, have had the opportunity to ask questions for any clarification I may need, **and will abide by the requirements set forth herein**. I understand that this document is not a contract and signifies only my receipt of the manual.

Signature

Date

West Virginia SILC Cooperative Agreement with the DSU

Legislative Initiatives

The Division will include the executive directors of the SILC and SRC on a legislative team to discuss legislation and legislative initiatives impacting the lives of West Virginians with disabilities. The Division will take the recommendations of this team in preparing its legislative package. The SILC and SRC will hear presentations by the Division and other organizations on their legislative priorities each year and will consider all the initiatives presented, as well as any others identified by council members, as they establish priorities each year. When common priorities or initiatives are identified, the parties will work cooperatively toward the success of the legislation or initiatives. Each party agrees to provide updates on legislative initiatives and disclose activities. If conflict occurs on a specific issue, the parties will meet to discuss the opposing viewpoints and sincerely strive to reach a compromise that all can support. If this is not possible, all parties agree they will not actively oppose the others efforts or publicly or privately denigrate the initiative.

Liaison Responsibilities

The Division liaison to the SILC and SRC will have the following responsibilities:

- ensure the Division is represented on council committees, as appropriate
- ensure the Director and Executive Management staff are aware of the activities of the SILC and the SRC and vice versa
- act in the absence of the Director as the Division representative during Council meetings
- coordinate the attendance of SILC and SRC representatives at Division staff meetings and retreats
- process all paperwork necessary for the allocation and expenditure of Title I, Part A, Section 100(b)(18)(A)(ii) funds by the SILC and the SRC
- prepare contracts and process paperwork necessary for the transfer of operating funds to the SILC and the SRC
- serve as the conduit for official communications between the Division and the SILC/SRC
- ensure that Division management staff understand the terms of this cooperative agreement and serve as the contact point for the SILC and the SRC should Division staff fail to follow the terms
- provide support to the SILC and SRC members and staff in conducting business and meeting their responsibilities under the Act and the state plans

Meetings between SILC/SRC/Division Management staff (cont.)

The SILC and SRC executive directors will meet with the Division's Executive Group on odd number months at one of the Executive Group's regularly scheduled weekly staff meetings. The Division liaison will arrange the participation of the executive directors. In addition to providing an opportunity for regular communication, these meetings will be used as an opportunity for discussion of proposed Division policy revision and/or development.

The SILC and SRC chairpersons and executive directors will meet with the Executive Group at their staff retreat each Fall and Spring to review the progress of the management plan and to cooperatively develop objectives, goals and priorities for the year. Members of the Executive Group will present proposed objectives, goals and priorities for Division units under their direction for discussion at the retreats. SILC and SRC representatives will propose additional objectives, goals and priorities they feel should be included in the management plan. The group will discuss all the proposals and the plan will be developed considering the opinions and concerns of all present.

Communications

The Division, the SILC and the SRC will maintain open and free communications. While this agreement establishes formal channels and forums for specific communications, it is not intended to, nor shall it be used to, restrict any member of any party from communicating openly and freely with any other member/party. It is expected that the Division liaison and the SILC and SRC executive directors will strive to keep all parties informed of issues and concerns that may be discussed with others.

Joint meetings and training

All parties will share information regarding training they are planning/sponsoring and will open the training to each other as appropriate. Joint training opportunities will be arranged on common issues and needs to eliminate unnecessary duplication. SILC and SRC representatives will be included in any Division training regarding policies and/or practices. Joint meetings of any or all parties may be called at any time by any party. Representatives to be included in such joint meetings will be designated by each party. The purpose for a joint meeting will be made known to all parties in advance of the meeting. Scheduling of such meetings will be conducted with consideration of the schedules of all representatives and will be done with as much advance notice as possible.

Resolution of Disagreements

Should disagreements among parties occur, every effort will be made to reach a resolution among the Division Executive Group, the SRC and the SILC. Additional Division representatives may be included in the effort to reach a resolution at the discretion of the Director.

Should the parties be unable to reach a resolution, an outside, neutral party will be identified, with agreement of all parties, to mediate a further resolution process. Technical assistance may be sought from the Rehabilitation Services Administration's Regional Office and/or Central Office representatives at any time by any party.

Kansas SILC Organizational Documents*

***See the Appendix for Kansas SILC “Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code”**

**ARTICLES OF INCORPORATION
OF
STATEWIDE INDEPENDENT LIVING COUNCIL OF KANSAS, INC.**

We, the undersigned incorporators, hereby form and establish a corporation NOT FOR PROFIT under the laws of the State of Kansas.

ARTICLE FIRST

The name of this corporation is **STATEWIDE INDEPENDENT LIVING COUNCIL OF KANSAS, INC.**

ARTICLE SECOND

The location of its registered office in this state is 501 Jackson, Suite 405, Topeka, Shawnee County, Kansas 66603. The resident agent at this address is Gina McDonald.

ARTICLE THIRD

This corporation is organized NOT FOR PROFIT, exclusively for charitable and educational purposes within the meaning of § 501(c)(3) of the Internal Revenue Code, as amended, and the objects and purposes to be transacted and carried on are:

1. To provide support services, guidance, programs and/or consultation to individuals, to public and private nonprofit agencies and/or entities, organizations, and facilities, to institutions, and/or to state and local, whether county or municipal, agencies who are assisted under Title VII of the Rehabilitation Act of 1973, as amended and as may be amended from time to time hereafter, for the development, expansion, administration, operation and/or establishment of independent living programs and concepts on a statewide basis for the State of Kansas.
2. To develop with the State of Kansas a state plan for independent living rehabilitation services, whether on an individual basis or group basis, for the handicapped individuals; to monitor, review and evaluate the implementation of said state plan; to annually or more often submit periodic reports to the Commissioner of Rehabilitation Services Agency (RSA) of the United States Department of Health and Human Services; to hold and conduct regular private and public meetings and forums as it determines necessary to carry out its duties; to develop and maintain a resource plan, including staff and personnel needs; to carry out its functions; to supervise and evaluate its staff; and to prepare and submit to Commissioner of Rehabilitation Services Agency (RSA) of the United States Department of Health and Human Services a five-year plan addressing the long term goals and recommendations for the need for independent living services and programs in the State.

3. To make distributions to organizations that qualify as exempt organizations under § 501 (c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.
4. To purchase, acquire, sell, convey, lease, rent, mortgage, dispose of, and otherwise deal in, within or without the State of Kansas, property, real or personal, tangible or intangible, or any interest therein, for investment or otherwise, to purchase, erect and maintain buildings or other improvements, including the real estate upon which the same are or may be situated.
5. To invest any funds at any time in such bonds, stocks, notes, real estate, mortgages or securities or to such other properties as the Board of Directors may deem prudent and in the best interests of the corporation.
6. To apply for, obtain, register, purchase, lease or otherwise to hold, use develop, operate, introduce and to sell, assign, grant licenses or territorial rights in respect to or otherwise to turn to account or dispose of or deal in and use copyrights, trade names, trademarks, brands, labels, patent rights of the United States Government or of any other country or government, inventions, improvements, designs, processes, licenses and privileges of any kind or nature.
7. To improve, manage, develop, sell, assign, transfer, lease, mortgage, pledge or otherwise dispose of or turn to account or deal withal or any part of the property of the corporation and, from time to time, to vary any investment or employment of capital of the corporation.
8. To have one or more offices and to exercise any or all of its corporate powers and rights, in the State of Kansas and in the various other states, territories, colonies and dependencies of the United States, in the District of Columbia, and in all or any foreign countries.
9. To do all and everything necessary, suitable and proper for the accomplishment of any of the business or any of the objects, or the furtherance of any of the powers herein set forth, either alone or in association with any other corporation, firms or individuals, and to do every other act or acts, thing or things, incident or appurtenant to, or growing out of or connected with the aforesaid business or powers, or any part or parts thereof, provided the same be not inconsistent with the laws under which this corporation is organized.

The enumeration herein of the objects and purpose of this corporation shall be construed as powers, as well as objects and purposes, and shall not be deemed to exclude by inference any powers, objects, or purposes which this corporation is empowered to exercise, whether expressly or by force of the laws of the State of Kansas, now or hereafter in effect, or implied by the reasonable construction of laws; PROVIDED,

HOWEVER, that in all events and under all circumstances, and notwithstanding merger, consolidation, reorganization, termination, dissolution, or winding up of this corporation, voluntary or involuntary or by operation of law, the following provisions shall apply:

- (a) This corporation shall not carry on any other activities not permitted to be carried on, nor have or exercise any power to authority either expressly, by interpretation, or by operation of law, (a) by a corporation exempt from federal income tax under § 501 (c) (3) of the Internal Revenue Code of 1986, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under § 170 (c) (2) of the Internal Revenue Code of 1986, or the corresponding section of any future federal tax code.
- (b) This corporation shall never be operated for the primary purpose of carrying on a trade or business for profit.
- (c) No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, creator, organizer of this corporation, or substantial contributor to it, or other private persons, except that the corporation shall be authorized and empowered to pay an allowance for actual expenditures or services actually made or rendered to or for this corporation and to make payment and distributions to furtherance of the purpose set forth in this Article.
- (d) No substantial part of the activities of the corporation shall be 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 or in opposition to any candidate for public office.
- (e) Neither the whole nor any portion of the assets or net earnings, current or accumulated, of this corporation shall ever be distributed to or divided among any such persons; provided, further that neither the whole nor any part or portion of such assets or net earnings shall ever be used for, accrue to, or inure to the benefit of any member or private individual within the meaning of § 501(c) (3) of the Internal Revenue Code of 1968 (or the corresponding provision of any future United States Internal Revenue law).

Upon the dissolution of this corporation, the governing body shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of

all of the assets of the corporation held exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under § 501 (c) (3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue law), or shall be distributed to the federal government, or to a state or local government, for a public purpose, as the governing board shall determine. Any such assets not so disposed of shall be disposed of by the District Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE FOURTH

The corporation will NOT have authority to issue capital stock or to issue a dividend, and the conditions of membership shall be fixed by the bylaws.

ARTICLE FIFTH

The Board of Directors shall have all powers granted by Kansas law and statutes, EXCEPT that Board of Director shall be selected by the Governor of the State of Kansas from the membership of the corporation. All directors shall be a resident of the State of Kansas. All members of the Board of Directors, except ex-officio members, shall be voting members of the board.

ARTICLE SIXTH

No director shall be personally liable to the Corporation or its members for monetary damages for any breach of fiduciary duty by such director as a director. Notwithstanding the foregoing sentence, a director shall be liable to the extent provided by applicable law (i) for breach of the director's duty of loyalty to the Corporation or its members, (ii) for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of law, (iii) under the provisions of K.S.A. § 17-6424 and any amendments thereto, or (iv) for any transaction from which the director derived an improper personal benefit. No amendment to or repeal of the Article shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to the date when such provision became effective.

ARTICLE SEVENTH

The term for which this corporation is to exist is perpetual.

ARTICLE EIGHTH

No member of this corporation shall benefit financially from the dissolution thereof. In the event of dissolution of this corporation, the assets of the corporation shall be distributed as set forth in ARTICLE THIRD hereof.

ARTICLE NINTH

The names and residences of the incorporators are:

NAME:	ADDRESS:
Marty Wooten	1313 Adams Fredonia, KS 66736
Sanford J Alexander , III	5321 Plaza Lane Wichita, KS 67208
Paula McElwee	606 W 13 th Street Hays, KS 67601
Gina McDonald	5427 SW 18 th Street Topeka, KS 66604

ARTICLE TENTH

The number of directors may be increased or decreased from time to time by amendment of the bylaws.

ARTICLE ELEVENTH

The names and residences of the persons, who are to serve as voting directors, for the stated length of their initial term or until their successors are selected by the Governor of the State of Kansas and installed at the annual membership meeting, are as follows:

Three year term:

Marty Wooten	1313 Adams Fredonia, KS 66636
Gina McDonald	5427 SW 18 th Street Topeka, KS 66604
Patricia Gerdel	5008 SW Cedar Crest Road Topeka, KS 66606

Martha Hodgesmith 11543 SW Frontage Road
Topeka, KS 66615

Shelia Nelson-Stout 3425 N Old Highway 81
Salina, KS 67401

Two year term:

Robert Jordan 219 Dexter
Clay Center, KS 67432

Terry Larson 3019 SW Maupin Lane #208
Topeka, KS 66614

Darryl Luton 455 East Park Street
Olathe, KS 66061

One year term:

Janet Heit Route 1, Box 92
Offerle, KS 67208

Sanford J. Alexander, III 5321 Plaza Lane
Wichita, KS 67208

Paula McElwee 600 Commerce Parkway
Hays, KS 67601

Judy Thompson 2131 SW Potomac Drive
Topeka, KS 66611

Terrance Harris 416 S 17th Street
Parsons; KS 67357

ARTICLE TWELFTH

The names and residences of the persons who are to serve as ex-officio directors, who are non-voting directors, until their successors are elected and qualified are as follows:

George Vega Docking State Office Building
5th Floor
915 Harrison
Topeka, KS 66612

Glen Yancey

Biddle Bldg., 1st Floor
330 SW Oakley
Topeka, KS 66606

ARTICLE THIRTEENTH

The power to adopt, amend and repeal the bylaws of this corporation shall reside in the Board of Directors of this corporation.

ARTICLE FOURTEENTH

The corporation shall maintain general liability insurance in such amount as shall be determined by the directors, so as to enable volunteers of the corporation to come within the provisions of K.S.A. § 60-3601.

IN TESTIMONY WHEREOF, we have hereunto set our names on the date setforth next to our signatures.

Marty Wooten Date: 6-3-94

Sanford J. Alexander, III Date: 6-3-94

Paula McElwee Date: _____

Gina McDonald Date: _____

ACKNOWLEDGMENT

STATE OF KANSAS)
COUNTY OF Sedgwick) ss.

NOW, on this 3rd day of June, 1994, before me, a Notary Public in and for said County and State, came **Marty Wooten**, personally known to me to be the person who executed the above and foregoing instrument and who acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and last above written.

Georgia F. Cole
Notary Public

My appointment expires: 10-30-94

STATE OF KANSAS)
COUNTY OF Sedgwick) ss.

NOW, on this 3rd day of June, 1994, before me, a Notary Public in and for said County and State, came **Sanford J. Alexander, III**, personally known to me to be the person who executed the above and foregoing instrument and who acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and last above written.

Georgia F. Cole
Notary Public

My appointment expires: 10-30-94

**STATEWIDE INDEPENDENT LIVING COUNCIL OF KANSAS, INC.
BYLAWS**

**ARTICLE I
OFFICES**

SECTION 1. Principal Office. The principal office for the transaction of the business of the corporation is hereby located at 700 SW Jackson , Suite 212, City of Topeka, County of Shawnee, Kansas, 66603.

SECTION 2. Registered Office. The corporation, by resolution of its Board of Directors, may change the location of its registered office as designated in the Articles of Incorporation to any other place in Kansas. By like resolution, the resident agent at such registered office may be changed to any other person or corporation, including itself. Upon adoption of such a resolution, a certificate certifying the change shall be executed, acknowledged and filed with the Secretary of State, and a certified copy thereof shall be recorded in the office of the Register of Deeds for the county in which the new registered office is located (and in the old county, if such registered office is moved from one county to another).

SECTION 3. Other Officers. Branch or subordinate offices may at any time be established by the Board of Directors at any place or places where the corporation is qualified to do business.

**ARTICLE II
MEMBERSHIP**

SECTION 1. Membership. Membership to the corporation shall be open to the public. The initial members shall be as stated in the Articles of Incorporation. All members are voting members unless otherwise specified in the Articles of Incorporation. Membership in the corporation shall be for a one (1) year period ending on the fiscal year end of the corporation.

SECTION 2. Application for Membership. Applications for membership shall be made in the manner prescribed by the Membership Committee, where so directed by a resolution of the Board of Directors. Honorary memberships shall be determined under terms and conditions as specified by resolution of the Board of Directors. All members must be a resident of the State of Kansas.

SECTION 3. Resignation from Membership. A resignation from membership shall be presented to the Board of Directors, but shall not relieve any member from any liability for any dues, assessments or other obligations, if any, to the corporation which are unpaid at the time such resignation is filed, or which may arise prior to the acceptance of the resignation.

SECTION 4. Termination or Suspension. If any member of the corporation shall commit any act prejudicial to the conduct of the affairs of the corporation or the purposes for which it is formed, or shall have changed his or her status so as to be ineligible for membership, such

persons shall be notified in writing to appear personally before the Board of Directors at the designated time not less than thirty days after such notification and at such time, be given a hearing. By 2/3 vote of all the Board of Directors present at the meeting, the membership of such person in the corporation may be terminated or suspended. Suspension is not appropriate where the person has ceased to be a person in the category of persons eligible for membership. If either suspension or termination is decided upon, the terms and conditions of same shall be specified in writing and delivered to the suspended or terminated member. Written notices hereunder shall be delivered by registered mail to the member's last known address. Members shall not use their membership or, if applicable, position a member of the Board of Directors for personal financial gain.

SECTION 5. Transfer of Membership. Memberships in the corporation shall be nontransferable. There shall be no transfer or alienation by inter vivos or testamentary device or otherwise.

SECTION 6. Fines and Penalties. Fines or penalties are not permitted. The penalty for misconduct is suspension or termination, as provided above.

SECTION 7. Place of Meetings. All annual meetings of members and all other meetings of members shall be held at the principal office of the corporation unless another place within or without the State of Kansas is designated either by the Board of Directors pursuant to authority hereinafter granted to said board, or by the written consent of all members entitled to vote thereafter, given either before or after the meeting and filed with the secretary of the corporation, All meeting sites used by the corporation shall be free of architectural and communication barriers, and accessible for all individuals.

SECTION 8. Meetings of Members and Other Membership Matters. The annual meetings of the members shall be held on the second Friday of the last month of the corporation's fiscal year in each year at 10:00 a.m. of said day; provided, however, that should said day fall upon a legal holiday, then such annual meeting of members shall be held at the same time and place on the first Friday following such designated meeting date. At such meeting, directors shall be considered, select new members, and any other business may be transacted which is within the power of the members. Notice of each annual meeting shall be given to each member, either personally or by mail or other means of written communication, charges prepaid, addressed to such member at his address appearing on the books of the corporation or given by him to the corporation for the purpose of notice., If a member gives no address, notice shall be deemed to have been given if sent by mail or other means of written communication addressed to the place where the principal office of the corporation is situated, or if published at least once in some newspaper of general circulation in the county in which said office is located. All such notices shall be sent to each member entitled thereto no less than ten days nor more than sixty days before each annual meetings and shall specify the place, the day and the hour of such meeting, and shall state such other matters, if any as may be expressly required by statute. All notice shall be prepared in writing and in a manner to be accessible to all individuals.

SECTION 9. Special Meetings. Special meetings of the members, for any purpose or purposes whatsoever, may be called at any time by the president or by the Board of Directors, or by one or more members holding not less than 1/5 of the voting power of the corporation, Except in special cases where other express provision is made by statute, notice of such special meetings shall be given in the same manner as for annual meetings of members,. Notices of any special meeting shall specify in addition to the place, day and hour of such meeting, the general nature of the business to be transacted. All notices shall be prepared in a manner to be accessible for all individuals.

SECTION 10. Adjourned Meetings and Notice Thereof. Any members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the membership interest, the holders of which are either present in person or represented by proxy thereat, but in the absence of a quorum, no other business may be transacted at such meeting. When any members' meeting, either annual or special, is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting, Except as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meetings, if the time and place thereof are announced at the meeting at which such adjournment is taken.

SECTION 11. Voting-Unless the Board of Directors has fixed in advance a record date for purposes of determining entitlement to vote at the meeting, the record date shall be as of the close of business on the day next preceding the date on which the meeting shall be held. Each voting member shall have one vote for and all matters which may properly come before the members at any annual or special meeting. All the matters brought before the membership at a meeting must pass by a majority vote of the members present at the meeting.

SECTION 12. Quorum-The presence in person of a majority of the members at any meeting shall constitute a quorum for the transaction of business. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

SECTION 13. Consent of Absentees-The transaction of any meeting of members, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the members entitled to vote not present in person or by proxy signs a written waiver of notice or a consent to the holding of such meeting or an approval of the minutes thereof. All such waivers consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 14 Proxies-Every person is entitled to vote or execute consents shall have the right to do so either in person or by one or more agents authorized by a written proxy executed by such person or such person's duly authorized agent and filed with the secretary of the corporation, provided that no such proxy shall be valid for a period of time longer than the specified length of time which is stated in the proxy but not to exceed one year from the date of the execution of the

proxy or beyond the date that said persons membership in the corporation ceases. All proxies signed by an agency must have a duly executed written powers of attorney attached thereto.

SECTION 15. Inspection of Corporate Records-The membership ledger, the books of account and minutes of proceedings of the members the Board of Directors and of executive committees of directors shall be open to inspection upon the written demand of any member of the holder of a voting trust certificate within five days of such demand during ordinary business hours if for a purpose reasonably related to his interest as a member, or as the holder of such voting trust certificate. The list of members entitled to vote shall be prepared at least ten days before every meeting of members by the officer in charge of the stock ledger, which shall be the secretary and shall be open to inspection by any member for any purpose germane to the meeting during ordinary business hours for at least ten days prior to such meeting. Such inspection may be made in person by an agency or attorney authorized in writing by a member and shall include the right to make abstracts. Demand of inspection other than at a members meeting shall be made in writing upon the president, secretary, assistant secretary or general manager of the corporation.

SECTION 16. Inspection of Bylaws-The corporation shall keep in its principal office for the transaction of business the original or a copy of these bylaws as amended or otherwise altered to date, certified by the secretary, which shall be open to inspection by the members at all reasonable times during ordinary business hours.

SECTION 17. Miscellaneous-The public shall be allowed the opportunity to make public comments for a specified length of time as determined by the board. Minutes of meetings shall be made available for public inspection upon written request.

ARTICLE III DIRECTORS

SECTION 1. Powers. Subject to limitations of the Articles of Incorporation, of the bylaws, and of the Kansas Corporation Code as to action which shall be authorized or approved by the members, and subject to the duties of directors as prescribed by the bylaws, all corporate owners shall be exercised by or under the authority of and the business and affairs of the corporation shall be controlled by the Board of Directors. Without prejudice to such general powers but subject to the same limitations it is hereby expressly declared that the directors shall have the following powers to wit:

1. If allowed by the Articles of Incorporation, to alter amend or repeal the bylaws of the corporation
2. To select and remove all the other officers, agents and employees of the corporation, prescribe such powers and duties for them as may not be inconsistent with law or with the Articles of Incorporation or the bylaws fix their compensation and may if required by resolution of the Board of Directors require from them security for faithful service.

3. To conduct, manage, and control the affairs and business of the corporation and to make such rules and regulations therefor not inconsistent with the law or with the Articles of Incorporation or the bylaws as they may deem best.

4. To change the principal office and registered office for the transaction of the business of the corporation from one location to another as provided in Article I hereof; to fix and locate from time to time one or more subsidiary offices of the corporation within or without the State of Kansas as provided in Article I, SECTION 3 hereof ; to designate any place within or without the State of Kansas for the holding of any members' meeting or meetings except annual meetings; to adopt, make and use a corporate seal, to prescribe the forms of membership certificates and to alter the forms of such seal and of such certificates from time to time, as in their judgment they may deem best, provided such seal and such certificate shall at all times comply with the provision of law.

5. To borrow money and incur indebtedness for purposes of the corporation and to cause to be executed and delivered therefor in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation, or other evidences of debt and securities therefor.

6. To appoint an executive committee and other committees, and to delegate to such committees any of the powers and authority of the board in the management of the business and affairs of the corporation, except the power to adopt, amend or repeal bylaws. Any such committee shall be composed of two or more directors.

7. To cause to be prepared and submitted, taking into consideration the recommendations of the members, a state plan to the conduct of a State independent living rehabilitation service program (s) and an operations resource plan.

8. To declare upon majority vote of a quorum of directors present at a meeting, an executive session of the board of directors which shall be closed to the public and which may be continued from time to time.

SECTION 2-Number and Qualification of Directors-The authorized number of directors of the corporation shall be 13 and the authorized number of ex-officio directors shall not be more than 4 as recommended by the board and appointed by the governor, until changed by amendment to the bylaws, Ex-officio directors shall not have any voting power.

Directors must be residents of the State of Kansas and members of the corporation. Directors shall be appointed by the governor of the State of Kansas by May 31st of each year for a term as provided hereinafter. The members of the corporation, t a special meeting shall prepare and send to the Governor a list of nominees for directorship of the corporation. The nomination and appointment criteria shall include, but not necessarily inclusive: reasonable statewide representation; representative mix of a broad range of individuals with disabilities; persons who are knowledge about centers for independent living for disabled persons and of independent living services. At all times, a majority in number of the board members shall be individuals

with a recognized disability and shall be individuals who do not own or operate a center for independent living or are not employed by a corporation, partnership, limited liability company, limited liability partnership, association, trust or other entity owning or operating a center for independent living. The remaining number of board members may be (i) representatives from centers for independent living, (ii) the parents, guardians, advocates of an and for individuals with disabilities, (iii) representatives from private business, (iv) representatives from organizations that provide services for individuals with disabilities, or (v) other appropriate individuals with or without disabilities.

Ex-officio board members shall be residents of the State of Kansas, appointed annually by the Governor of the State of Kansas. Ex-officio board members shall not have any power to vote and need not be a member of the corporation. One ex-officio member of the board shall be representative from the Kansas Department of Social and Rehabilitation Services and any others shall be a representative from other agencies of the State of Kansas that provide services for individuals with disabilities.

SECTION 3 Election and Term of Office-All directors shall be appointed by the governor of the State of Kansas to hold such office for a period of three years, except for the initial directors listed in the Articles of Incorporation for the corporation, who shall hold such office for the time period stated therein. Four directors shall be appointed each year, commencing in 1995, except that in year 1997, and every three years thereafter, when five directors shall be appointed. All appointments, except for the initial directors, shall be for a period of three years. No director, except for the initial directors shall serve for more than two consecutive terms. All directors shall hold office until their respective successors are selected by the Governor of the State of Kansas and installed at the annual meeting of the members in June of each year, commencing in 1995. A director may be removed from office at any time for cause by majority vote of the members of the Board of Directors at the meeting or by the governor of the State of Kansas if the member misses two consecutive meetings without good cause or for any other reason for good cause.

SECTION 4 Vacancies. Vacancies on the Board of Directors shall be filled by the Governor. If at any time, by reason of death, resignation, or other cause, the corporation should have no directors in office then any officer or any member or any executor, administrator, trustee, or guardian of a member or other fiduciary entrusted with like responsibility for the person or estate of a member may call a special meeting of the members in accordance with the provision of these bylaws, or may apply to the district Court for a decree summarily ordering election as provided for by the Kansas Corporation Code. Each director so selected by the governor shall hold office until his successor is selected by the governor.

A vacancy or vacancies on the board of directors shall be deemed to exist in case of the death, resignation or removal of any director, or if any director or directors elected shall refuse to serve.

A director may resign at any time by written notice delivered to the Secretary of the corporation. A director's resignation may be effective immediately or on a future date within said director's un-expired term.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of his term of office.

SECTION 5. Place of Meeting. Regular and special meetings of the board of directors shall be held at any place within or without the State of Kansas which has been designated from time to time by resolution of the board or by written consent of all members of the board. In the absence of such designation, all meetings shall be held at the principal office of the corporation. All meeting sites used by the board shall be free of architectural and communication barriers, and accessible for all individuals.

SECTION 6. Organizational Meeting. Immediately following each annual meeting of members, the board of directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of such meetings hereby waived.

SECTION 7. Other Regular Meetings. Other regular meetings of the board of directors shall be held without call at such time as the board of directors may from time to time designate in advance of such meetings, but shall be no fewer than three per year; provided, however, should said day fall upon a legal holiday, then said meeting shall be held at the same time on the next day thereafter ensuing which is not a legal holiday. Notice of all such regular meetings of the board of directors is hereby waived.

SECTION 8. Special Meetings. Special meetings of the board of directors for any purpose of purposes shall be called at any time by the president or, if he is absent or unable or refuses to act, by the secretary or by any other director. Notice of such special meetings, unless waiver by attendance thereat or by written consent to the holding of the meeting, shall be given by written notice mailed at least five days before the date of such meeting or be hand delivered or notified by telegram at least two days before the date such meetings is to be held. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with postage thereon addressed to the director at his residence or usual place of business. If notice be given by telegraph, such notice shall be deemed to be delivered when the same is delivered to the telegraph company.

SECTION 9. Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned.

SECTION 10. Waiver of Notice. The transaction of any meeting of the board of directors, however called and noticed or wherever held, shall be as valid though had a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the directors not present signs s written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 11. Quorum. A majority of the total numbers of directors, excluding ex-officio directors, shall be necessary to constitute a quorum for the transaction of business except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the directors present at a meeting duly or held at which a quorum is present shall be regarded as the act of the board of directors, unless a greater number be required by law or by the Articles of Incorporation. The directors present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum.

SECTION 12. Meetings by Telephone. Members of the board of directors of the corporation or any committee designated by such board may participate in a meeting of the board of directors by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear one another, and such participation in a meeting shall constitute presence in person at the meeting.

SECTION 13. Adjournment. a majority of the directors present may adjourn any directors meeting to met again at a stated day and hour or until the time fixed for the next regular meeting of the board.

SECTION 14. Vote and Voting. Except for election of officers, all votes required of directors hereunder may be by voice vote or show of hands unless written ballot is requested, which request may be made by any one director. All election of officers shall be by confidential ballot, whether written or otherwise, with the results of said ballots being tallied, announced and recorded in the minutes unless an alternate method of election is unanimously agreed upon by all directors present at the meeting. Each directors shall have one vote, unless the Articles of Incorporation provide that directors elected by the holder of a class of members have more or less than one vote per director on a matter. Every reference to a majority or other proportion of directors shall refer to a majority or other proportion of the votes of such directors.

SECTION 15. Inspection of Books and Records. Any director shall have the right to examine the corporation's membership ledger, a list of its members entitled to vote and its others books and records for a purpose reasonably related to such director's position as a director. When there is any doubt concerning the inspection rights of a director, the parties may petition the District Court, which may, in its discretion, determine whether an inspection may be made and whether any limitations or conditions should be imposed upon the same.

SECTION 16. Fees and Compensation. Directors shall not receive any stated salary for their services as directors but shall be entitled to reimbursement for reasonable expenses under the authority of K.S.A. §75-5313. Reasonable expenses shall include expenses the board member incurs in attending the meeting, including attendant care, meals and lodging (if overnight stay is required), toll road fees, public transportation, and mileage for personal automobile use. No reimbursement will be made without a receipt, except for mileage for personal automobile use. Nothing herein contained shall be construed to preclude any director from serving the

corporation in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefor.

SECTION 17. Notices. All notice shall be prepared in writing and in a manner so as to be accessible for all individuals.

SECTION 18. Chairperson and Vice-Chairperson. The president of the corporation shall be the Chairperson and the vice president shall be the Vice Chairperson of the corporation for their entire term of office. The Chairperson shall preside as chairperson of all meeting of the board, shall be member of all committees, and shall serve as a member of the Rehabilitation Services Advisory Committee of the Kansas Department of Social Rehabilitation Services. and such other committees, bodies or council as the Board may from time to time decide. The Vice Chairperson shall preside as chairperson of board meetings in the Chairperson's absence, and act on behalf of and in the place of the Chairperson when he or she is unable to do so. In the absence of the Chairperson and the Vice Chairperson, where a quorum is present, a temporary chairperson shall be selected for that meting by a majority of the directors present.

SECTION 19. Miscellaneous. All meetings except for a meeting on the involuntary removal of a director and executive sessions of boar meetings, shall be open to the public who shall be allowed the opportunity to make public comments for a specified length of time as determined by the board. Minutes of meetings shall be sent to board members and made available for public inspection upon written request.

ARTICLE IV OFFICERS

SECTION 1. Officers. The officers of the corporation shall be a president, a vice president a secretary and a treasurer. The corporation may also have at the discretion of the board of directors more than on vice presidents one or more assistant secretaries and one or more assistant treasurers and such other officers as may be appointed in accordance with the provisions of SECTION 3 of this Article IV. Any number of offices may be held by the same person.

SECTION 2. Election. The officers of the corporation, except such officers as may be appointed in accordance with the provisions of SECTION 3 or SECTION 5 of this Article IV, shall be chosen annually by the board of directors, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve, or his or her successor shall be elected and qualified.

SECTION 3. Subordinate Officers, Etc. The board of directors may appoint such other officers as the business of the corporation may required, each of whom shall have the authority and perform such duties as are provided in these bylaws or as the board of directors may from time to time specify, and shall hold officer until he or she shall resign or shall be removed or otherwise disqualified to serve.

SECTION 4. Compensation of Officers. Officers and other employees of the corporation shall receive such salaries or other compensation as shall be determined by resolution of the board of directors, adopted in advance or after the rendering of the services, or by employment contracts entered into by the board of directors. The power to establish salaries of officers, other than the president may be delegated to the president, chairperson of the board or a committee.

SECTION 5. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these bylaws for regular appointments to such office.

SECTION 6. Removal and Resignation. any officer may be removed, either with or without cause, by a majority of the directors at the time in office, at any regular or special meeting of the board, or, except in the case of an officer may be conferred by the board of directors. Any officer may resign at any time upon written notice to the corporation.

SECTION 7. Chairperson of the Board. The chairperson of the board, if there be such an officer, shall, if present, preside all meeting of the board of directors, and exercise and perform such other powers and duties as may be from time to time assigned to him by the board of directors prescribed by these bylaws.

SECTION 8. President. Subject to such supervisory powers, if any, as may be given by the board of directors to the chairperson of the board, If there be such an officer, the president shall be the chief executive officer of the corporation and shall be subject to the control of the board of directors, have general supervision, direction and control of the business and officers of the corporation. He shall preside at all meetings of the members and as chairperson of the board of directors, and as the chairperson of all committees, bodies and councils as directed by the board, He shall be ex-officio a member of all the standing committees, including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the board of directors or these bylaws.

SECTION 9. Vice-President. In the absence or disability of the president, the vice president or vice presidents if there be such an officer or officers, in order of their rank of as fixed by the board of directors, or if not ranked, the vice president designated by the board of directors, shall perform all 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 presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the board of directors or these bylaws. The vice president shall be the vice chairperson of the board of directors. If there are more than one vice president offices, the board of directors shall designate the vice president office which will serve as vice chairperson of the board of directors.

SECTION 10. Secretary. The secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the board of directors may order, of all meetings of directors and members, with the time and place of holding, whether regular or special, and if

special, how authorized, the notice thereof given, the names of those present at director's meetings, the members present or represented at members' meetings and the proceedings thereof.

The secretary shall keep, or cause to be kept, at the principle office or at the office of the corporation's transfer agent, a membership ledger, showing the names of the members and their addresses, and the number and date of membership certificates issued; and the date of suspension, termination or resignation of every membership certificate surrendered for cancellation.

The secretary shall give, or cause to be given, notice of all meetings of the members and of the board of directors required by these bylaws or by law to be given, and he shall keep the seal of the corporation, if any, in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the board of directors or these bylaws.

SECTION 11. Treasurer. The treasurer shall keep and maintain or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, surplus and shares. The books of account shall at all reasonable times be open to inspection by any director.

The treasurer shall deposit all monies and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the board of directors. The treasurer shall disburse the funds of the corporation as the treasurer may be ordered by the board of directors, shall render to the president and directors, whenever they request it, an account of all the treasurer's transactions as treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the board of directors or these bylaws. The treasurer shall be bonded, if required by the board of directors.

ARTICLE V MISCELLANEOUS

SECTION 1. Dues. There shall be no membership dues for this corporation.

SECTION 2. Use of Robert's Rules of Order. The most current revision of Robert's Rules of Order shall be used for the conduct of all members' and directors' meetings except as otherwise provided hereunder of in the Articles of Incorporation.

SECTION 3. Indemnification of Directors and Officers. When a person is sued, either alone or with others, because he is or was a director, officer of the corporation, or of another corporation serving at the request of this corporation, if any proceeding arising out of his alleged misfeasance or nonfeasance in the performance of his duties or out of any alleged wrongful act against the corporation or by the corporation, he shall be indemnified for his reasonable expense, including attorney's fees incurred in the defense of the proceeding, if both of the following conditions exist:

- a. The person sued is successful in whole or in part, or the proceeding against him is settled with the approval of the court,
- b. The court finds that his conduct fairly and equitably merits such indemnity.

The amount of such indemnity which may be assessed against the corporation, its receiver, or its trustee, by the court in the same or in a separate proceeding shall be so much of the expenses, including attorney's fees incurred in the defense of the proceeding, as the court determines and finds to be reasonable. Application for such indemnity may be made either by the person sued or by the attorney of other person rendering services to him in connection with the defense, and the court may order the fees and expenses to be paid directly to the attorney or other person, although he is not a party to the proceeding. Notice of the application for such indemnity shall be served upon the corporation, its receiver, or its trustee, and upon the plaintiff and other parties to the proceeding. The court may order notice to be given also to the members in the manner provided in Article II, SECTION 2, for giving notice of member's meetings, in such form as the court directs.

SECTION 4. Checks, Drafts, Etc. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the board of directors.

SECTION 5. Annual Report. No annual report to members shall be required, but the board of directors may cause to be sent to the members reports in such form and at such times as may be deemed appropriate by the board of directors.

SECTION 6. Contracts, Deeds, Etc. How Executed. The board of directors, except as in these bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute an instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances; and unless so authorized by the board of directors, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose in any amount; provided, however, that any contracts, agreements, deeds or other instruments conveying lands or any interest therein, and any other documents shall be executed on behalf of the corporation by the president or vice president if there be one serving in the absence of the president or by any other specific officer or agent or attorney so authorized under letter of attorney or other written power which was executed on behalf of the corporation by the president or vice president serving in the absence of the president.

SECTION 7. Membership Certificates. A certificate of membership shall be issued to each member when any such member so requests, and no such certificate shall be issued when initial membership fees are required until such fees are paid in full, unless the board of directors specifically authorizes installment payments. All such certificates shall be signed by the president or vice president and the secretary or an assistant secretary. Only one certificate may be issued per member except to replace membership certificates which are lost, stolen or

destroyed, the member requesting a new certificate shall prepare an affidavit stating the conditions and reasons for or circumstances surrounding the loss, theft, or destruction.

SECTION 8. Fiscal Year. The board of directors shall have the power to fix and from time to time change the fiscal year of the corporation, In the absence of action by the board of directors, however, the fiscal year of the corporation shall end each year on the date which the corporation treated as the close of its first fiscal year, until such time, if any, as the fiscal year shall be changed by the board of directors.

ARTICLE VI DISSOLUTION

SECTION 1. Dissolution Upon the dissolution of this corporation, the governing body shall after paying or making provision for the payment of all the liabilities of the corporation, dispose of all of the assets of the corporation held exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for the charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under §501 (c) (3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United State Internal Revenue law, or shall be distributed to the federal government, or to a state or local government, for a public purpose, as the governing board shall determine, Any such assets not so disposed of shall be disposed of by the District Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE VII AMENDMENTS

SECTION 1. Power of Directors. New bylaws may be adopted or these bylaws may be amended or repealed by a majority vote of the board of directors at any regular or special meeting thereof provided however that a signed written request for amendment of the bylaws be submitted by a member of he board at least 10 days before a board meeting and that notice of the same is sent to all of the board members at least five working days prior to said meeting, provided further, however, that the time and place fixed by the bylaws for the annual election of officers shall not be changed within sixty days next preceding the date on which such elections are to be held. Notice of any amendment of the bylaws by the board of directors shall be given to each member having voting rights within ten (10) days after the date of such amendments by the board.

Certificate of Secretary

I, the undersigned, do hereby certify:

- 1) that I am the duly elected and acting secretary of the Statewide Independent Living Council of Kansas, Inc. a Kansas not-for-profit corporation; and
- 2) That the foregoing bylaws, comprising thirteen (13) pages, constitute the original bylaws of said corporation, as duly adopted at the first meeting of the board of directors thereof duly held on the _____ day of _____ of _____.

Secretary

More Information on Resources

More Information on Resources

About.com Start a Nonprofit – <http://www.nonprofit.about.com>

“Look before you leap! Before going through the process of starting a new charity we strongly encourage you to read the first two FAQs.

- Before you begin, some issues to consider....”

Georgia Center for Nonprofits – <http://www.nonprofitgeorgia.org/startup.html>
[Includes general information that applies to all states.]

“The Georgia Center for Nonprofits is pleased to present you with the Nonprofit Start-Up Packet. This material should generate your thinking on the types of issues that you will face as you start a nonprofit organization. Please keep in mind that this information, gathered and adapted from several different sources, is only a general overview. We encourage you to educate yourself on what exists in your community and find out who has attempted to address your specific issue. Ask questions, talk to community leaders and explore current activities and resources to avoid duplication of services....”

How to Form a Nonprofit Corporation (National Edition) by Anthony Mancuso, a guide for anyone who wants to start a nonprofit organization. Contains step by step instructions on how to form and operate a tax-exempt corporation in all 50 states.
<http://www.nolopress.com> - \$38.00.

National Association of Secretaries of State – <http://www.nass.org/sos/sosflags.html>

Provides links to the websites of Secretary of State offices for all 50 states. At these specific sites you will find information pertaining to nonprofit organizations in your state.

The Nonprofit Resource Center – <http://www.not-for-profit.org>

“For five years the Nonprofit Resource Center has been the Internet's premier information source for nonprofit organizations. With the most comprehensive list of links to websites of interest to nonprofits, you can find virtually everything you need to know about how to form, manage and maintain your nonprofit organization right here. Just click on a category above to find links to the services and information you need....”

APPENDIX