

**SOUTH CENTRAL LOS ANGELES REGIONAL CENTER
FOR DEVELOPMENTALLY DISABLED PERSONS, INC.**

WHEREAS, South Central Los Angeles Regional Center For Developmentally Disabled Persons, Inc. (the “Corporation”) currently operates under a Fourth Restatement of Bylaws (the “Bylaws”) adopted by the Corporation’s Board of Directors (the “Board”) on September 27, 2022.

WHEREAS, the Corporation leases its headquarters from Community Impact Development II, LLC, a Delaware limited liability company (“CID II”). CID II also provides commercial property management services for the Corporation’s benefit at certain other locations.

WHEREAS, the managing member of CID II is Friends of South Central Los Angeles Regional Center for Developmentally Disabled Persons, a California nonprofit corporation (“FOS”). FOS is a supporting organization of the Corporation, as permitted by IRS regulations.

WHEREAS, FOS owns or manages various residential properties in the Corporation’s catchment area which are occupied by individuals with intellectual and developmental disabilities.

WHEREAS, the daughter of the Corporation’s Executive Director is employed by FOS as its Director of Operations and Administration, and she also provides services to CID II. Such employment creates a conflict of interest for the Corporation’s Executive Director under applicable DDS regulations.

WHEREAS, at all times during his daughter’s employment, the Corporation’s Executive Director has mitigated such conflict of interest by delegating to others all responsibility for interactions between the Corporation and CID II/FOS, so that the Executive Director never negotiates contracts or otherwise interacts with his daughter on any SCLARC business. Further, the Corporation’s Executive Director has recused himself from all Board discussions and voting relating to matters between the Corporation and either CID II and FOS.

WHEREAS, the Corporation’s Executive Director has disclosed such conflict of interest and such mitigation measures in his Conflict of Interest Reporting Statement to the Board and DDS.

WHEREAS, DDS has noted that the Executive Director is responsible for the supervision, management, and control of all SCLARC employees, and his mitigation actions prevent him from properly supervising and managing the work of those SCLARC employees who interact with FOS CID II, Friends Community Housing, LLC, and Friends Housing Inc. DDS has therefore concluded that it is not feasible for the Executive Director to execute his duties as Executive Director, as specified in the Bylaws, if he were to wall his duties off completely from FOS, Friends Community Housing, LLC, Friends Housing Inc. and CID II.

WHEREAS, the Corporation believes the mitigation measures adopted by the Executive Director are adequate, but the Corporation also desires to be responsive to DDS’s concerns.

WHEREAS, under Section 3.7 of the Bylaws, the Board has the express power to prescribe the duties of its Executive Director.

WHEREAS, the Corporation therefore desires to address DDS's concerns by amending the Bylaws to reduce the scope of the Executive Director's duties while such conflict of interest exists.

WHEREAS, pursuant to Article XI of the Bylaws, the Board may amend the Bylaws at a meeting of directors at which a quorum is present, by a vote of the majority of the full number of persons who at the time are Directors. The Corporation currently has a total of 17 Directors.

WHEREAS, the Corporation has been presented the following amendment to its Bylaws for its consideration:

Article VI of the Bylaws, entitled "Chief Executive Officer" is hereby amended by adding the following paragraph to the end of such Article:

Notwithstanding anything in this Article VI to the contrary, during any Conflict of Interest Period (defined below), the Chief Executive Officer shall not have any authority or responsibility for the management or administration of policies, staff, services, affairs or resources of the Corporation relating to any matters involving Community Impact Development II, LLC ("CID II"), Friends Community Housing, LLC, Friends Housing Inc., and/or Friends of South Central Los Angeles Regional Center for Developmentally Disabled Persons ("FOS") collectively ("Friends"). Rather, during any Conflict of Interest Period, Jesse Rocha, Director of Adult Services, shall have all final day-to-day authority and responsibility for policies, staff, services, affairs or resources of the Corporation relating to Friends, in each case under the ultimate supervision of the Board. A Conflict of Interest Period is any time period while the daughter or any other family member of the Executive Director is employed by, or a consultant to Friends.

Upon motion duly made by Norma Hernandez and seconded by Caycee Ricketts, and following full discussion, the Board adopted the following resolutions by a vote of 13 to 0.

RESOLVED that the Bylaws of the Corporation are hereby amended in the form presented to the meeting.

RESOLVED that the Secretary of the Corporation certify the foregoing adoption of the amendment to Bylaws, and cause the same to be maintained with the minutes of this meeting and in the appropriate records of the Corporation.