

HOUSING AND COMMUNITY
DEVELOPMENT FINANCING ACT
ANNUAL REPORT
FY 2025

Maryland Community Investment Corporation
October 2025

October 1, 2025

The Honorable Wes Moore
Governor, State of Maryland
100 State House
Annapolis, Maryland 21401

The Honorable Adrienne A. Jones
Speaker of the House of Delegates
Maryland General Assembly
State House, H-101
Annapolis, Maryland 21401

The Honorable Bill Ferguson
President of the Senate
Maryland General Assembly
State House, H-107
Annapolis, Maryland 21401

The Honorable Jared Solomon
House Chair
Joint Audit and Evaluation Committee
312 House Office Building
Annapolis, Maryland 21401

The Honorable Shelly Hettleman
Senate Chair
Joint Audit and Evaluation Committee
220 James Senate Office Building
Annapolis, Maryland 21401

Esteemed Leaders:

On behalf of the Board of Directors of the Maryland Community Investment Corporation (“MCIC”), I am pleased to submit the Corporation’s Annual Report for Fiscal Year 2025, in accordance with the Housing and Community Development Financing Act and § 2-1257 of the State Government Article.

This report provides the following information required under the statute:

- A complete operating and financial statement for the fiscal year;
- A summary of activities undertaken by the Corporation;
- Information on salaries and incentives approved by the Board for Corporation employees;
- Outreach, training, mentorship, and investment in minority- and women-owned qualified businesses, including support for marketing by the Maryland Small Business Development Financing Authority;
- Information on entities with current investments and those receiving funding during the reporting year, including principal business operations, employment inside and outside Maryland, capital investments, and proposed and actual job creation or capital investment;
- Information on the creation and appointments of the Advisory Committee, its responsibilities, and the work of its members; and
- The policies adopted by the Board during the fiscal year and any changes to existing policies.

MCIC was established as Maryland’s first state-sponsored Community Development Entity (“CDE”) to expand access to federal and private capital for historically underinvested communities. In Fiscal Year 2025, MCIC advanced this mission by achieving its CDE certification, drafting a strategic plan, completing a statewide community engagement campaign, and serving as the financial intermediary for the Baltimore Vacants Reinvestment Initiative.

The Board and staff of MCIC remain grateful for the support of the Governor and General Assembly in building a sustainable institution that brings investment and opportunity to Maryland's communities. We look forward to continuing this important mission in the year ahead.

Sincerely,

Michael J. Pokorny
Chief Executive Officer

cc: The Honorable Comptroller Brooke Lierman
The Honorable Jake Day
The Honorable Rebecca Flora
The Honorable Kevin Anderson
The Honorable Atif Chaudry
Tifani Fisher
Tracy Evans

I. OPERATING AND FINANCIAL STATEMENT (INCLUDED BELOW)



**Maryland Community Investment Corporation
Statement of Activities - By Restrictions**

	Unrestricted Year To Date 06/30/2025	Temporarily Restricted Year To Date 06/30/2025	All Classes Year To Date 06/30/2025
GAAP Change in Net Assets			
GAAP Revenue			
Investment Income	6,299.21	0.00	6,299.21
Contributed Revenue	800,000.00	10,000,000.00	10,800,000.00
Total GAAP Revenue	<u>806,299.21</u>	<u>10,000,000.00</u>	<u>10,806,299.21</u>
GAAP Expenses			
Operating Expenses			
Personnel	105,107.03	0.00	105,107.03
Consultants & Advisors	244,632.55	0.00	244,632.55
Accounting & Audit	53,154.83	0.00	53,154.83
Operations	18,028.54	0.00	18,028.54
Outreach & Public Affairs	8,300.00	0.00	8,300.00
Total Operating Expenses	<u>429,222.95</u>	<u>0.00</u>	<u>429,222.95</u>
Total GAAP Expenses	<u>429,222.95</u>	<u>0.00</u>	<u>429,222.95</u>
Total GAAP Change in Net Assets	<u>377,076.26</u>	<u>10,000,000.00</u>	<u>10,377,076.26</u>
Net Assets Ending	<u>377,076.26</u>	<u>10,000,000.00</u>	<u>10,377,076.26</u>



**Maryland Community Investment Corporation
Statement of Financial Position**

	Unrestricted Year To Date 06/30/2025	Temporarily Restricted Year To Date 06/30/2025	All Classes Year To Date 06/30/2025
Assets			
Cash & Cash Equivalents			
10000 - Cash - Operating Wells Fargo	355,462.31	0.00	355,462.31
Total Cash & Cash Equivalents	<u>355,462.31</u>	<u>0.00</u>	<u>355,462.31</u>
Investments			
11000 - Investments	0.00	10,000,000.00	10,000,000.00
Total Investments	<u>0.00</u>	<u>10,000,000.00</u>	<u>10,000,000.00</u>
Prepaid Expenses			
16000 - Prepaid Expenses	28,941.69	0.00	28,941.69
Total Prepaid Expenses	<u>28,941.69</u>	<u>0.00</u>	<u>28,941.69</u>
Property & Equipment			
18000 - Fixed Assets	5,941.04	0.00	5,941.04
18100 - Accumulated Depreciation	(496.97)	0.00	(496.97)
Total Property & Equipment	<u>5,444.07</u>	<u>0.00</u>	<u>5,444.07</u>
Total Assets	<u><u>389,848.07</u></u>	<u><u>10,000,000.00</u></u>	<u><u>10,389,848.07</u></u>
Liabilities & Net Assets			
Liabilities			
Accounts Payable & Accrued Expenses			
20100 - Corporate Credit Card Liability	7,145.81	0.00	7,145.81
20200 - Accrued Expenses	5,626.00	0.00	5,626.00
Total Accounts Payable & Accrued Expenses	<u>12,771.81</u>	<u>0.00</u>	<u>12,771.81</u>
Total Liabilities	<u>12,771.81</u>	<u>0.00</u>	<u>12,771.81</u>
Net Assets Ending			
GAAP Change in Net Assets			
Unrestricted	377,076.26	0.00	377,076.26
Temporarily Restricted	0.00	10,000,000.00	10,000,000.00
Total GAAP Change in Net Assets	<u>377,076.26</u>	<u>10,000,000.00</u>	<u>10,377,076.26</u>
Net Assets Ending	<u>377,076.26</u>	<u>10,000,000.00</u>	<u>10,377,076.26</u>
Total Liabilities & Net Assets	<u><u>389,848.07</u></u>	<u><u>10,000,000.00</u></u>	<u><u>10,389,848.07</u></u>

II. SUMMARY OF ACTIVITIES, FISCAL YEAR 2025

During Fiscal Year 2025, the Maryland Community Investment Corporation (“MCIC”) advanced its statutory mission to expand access to capital for underserved communities in Maryland. Over the course of the year, MCIC strengthened its operational foundation, deepened its role as a statewide financial intermediary, and prepared for future growth in mission-driven real estate finance. Key areas of activity are summarized below.

Community Development Entity Certification and New Markets Tax Credit (“NMTC”) Strategy

MCIC achieved certification as a qualified Community Development Entity (“CDE”) from the U.S. Department of the Treasury’s Community Development Financial Institutions Fund on November 12, 2024. While the Corporation did not apply in the fall 2024 NMTC allocation round, MCIC concentrated on essential groundwork to strengthen its future competitiveness.

Key progress in FY25 included:

- Establishing an initial Community Advisory Board and expanding its engagement across regions of the State.
- Engaging a specialized NMTC consultant to develop a strategic plan and support broad-based discussions about MCIC’s mission and long-term vision.
- Collaborating with the Maryland Department of Housing and Community Development (“DHCD”) and other stakeholders to identify resources that would support lending and investment activities essential to building a track record.

MCIC also increased its visibility and market presence by participating in four national NMTC industry conferences, strengthening relationships with peer organizations, and promoting a more equitable and inclusive NMTC investment landscape in Maryland. Notably, the permanency of the NMTC program under the federal 2025 Tax Bill positions MCIC well for sustained relevance and future application efforts.

Baltimore Vacants Reinvestment Initiative (“BVRI”)

In partnership with Maryland DHCD, MCIC assumed responsibility for managing \$30 million in Fiscal Year 2026 BVRI funds, pursuant to a memorandum of understanding and program manual finalized in June 2025. The BVRI is designed to reduce vacant building notices in Baltimore by supporting community development organizations (“CDOs”) with aligned redevelopment strategies.

Following a competitive selection process, DHCD announced 20 partner organizations in July 2025. Beginning in FY26, MCIC will deploy flexible working and construction capital to these partners, while building its own lending track record, internal systems, and earned revenue capacity. With the Governor’s commitment to potentially allocate up to \$50 million in future years, BVRI is expected to remain a cornerstone of MCIC’s lending and investment platform.

In addition, MCIC collaborated with philanthropic partners, led by the Goldseker Foundation, to secure \$1.6 million in commitments to a supplemental fund supporting technical assistance, capacity building, and project expenses for BVRI awardees. This initiative is intended to address systemic capacity challenges facing smaller, emerging, and historically undercapitalized CDOs and ensure that they benefit fully from the BVRI opportunity.

Organizational Development and Operations

MCIC made significant progress in operationalizing its organizational structure and systems. Key milestones included:

- Establishing payroll and employee benefits systems.
- Developing and revising bylaws and operating procedures.
- Preparing to launch Board subcommittees, an annual calendar for budget and performance review processes, and policies related to procurement, human resources, and expenditures.

For the first time in FY26, MCIC will also receive direct support from the Office of the Attorney General, providing legal counsel dedicated to the Corporation's operational needs.

Financial Position

MCIC received \$800,000 in operating support from Maryland DHCD for FY25 and concluded the year with a balance of approximately \$350,000, exceeding projections due to cost savings. The Corporation is well-positioned financially for FY26, with a renewed \$800,000 allocation supplemented by carryover funds. The budget anticipates modest operating losses in FY26 associated with one-time strategic consulting costs, but MCIC remains financially sound. Earnings from managing the BVRI lending program will provide additional operational support.

MCIC will continue to pursue additional resources, including prospective capital allocations in the 2026 legislative session, and will explore membership in key industry associations such as Opportunity Finance Network and the New Markets Tax Credit Coalition.

Staffing and Human Capital

In FY25, MCIC strengthened its leadership team with the appointments of a Managing Director and Loan Program Manager. The Corporation intends to hire two additional staff members in FY26 to support BVRI implementation and statewide outreach and lending activities, contingent on programmatic needs and funding.

MCIC offers competitive salaries and benefits, positioning the organization to attract and retain skilled professionals. In addition to staff hires, the Corporation continues to leverage consultants in specialized areas such as finance, technology, marketing, and NMTC planning.

Strategic Planning and Community Engagement

In compliance with statutory requirements, MCIC advanced development of a comprehensive strategic plan, including performance goals, mission and values, and an analysis of strengths, weaknesses, opportunities, and threats. Draft mission language has been refined through internal and external consultation, with emphasis on MCIC's role in supporting NMTC activity statewide and addressing gaps in affordable housing and smaller-scale investments.

To ensure broad-based input, MCIC hosted four regional convenings in FY26 in partnership with the Neighborhood Design Center and the Community Development Network of Maryland. These convenings introduced MCIC to local leaders and solicited community feedback to inform the Corporation's long-term strategic direction. A public rollout of the finalized strategic plan is anticipated in late 2025.

Conclusion

Fiscal Year 2025 marked a period of growth and institutional development for MCIC. The Corporation secured its foundation as a CDE, advanced strategic planning, and positioned itself as a trusted partner in the deployment of state and federal community investment tools. The launch of the BVRI partnership represents a transformative opportunity for both Baltimore City and MCIC's organizational growth. Entering Fiscal Year 2026, MCIC is well-positioned to expand its reach, strengthen its operations, and fulfill its mission of bringing equitable investment to communities across Maryland.

III. EMPLOYEE SALARIES AND INCENTIVES

As of the close of Fiscal Year 2025, the Maryland Community Investment Corporation employed three full-time staff members:

- Chief Executive Officer – \$200,000 annual salary
- Managing Director – \$118,000 annual salary
- Loan Program Manager – \$85,000 annual salary

Recruitment is underway for a Senior Impact and Investment Officer, who will join in Fiscal Year 2026. MCIC staff are supported by contracted professional services, including a fractional Chief Financial Officer, an external bookkeeper, and dedicated counsel from the Maryland Office of the Attorney General.

The Board of Directors has not approved or provided any incentive compensation for staff. Employee benefits include:

- Employer-paid health insurance plan with Health Savings Account
- Dental, vision, short-term disability, long-term disability, and group term life coverage
- Paid annual leave
- 401(k) retirement plan with employer match
- Flexible workplace schedule and work-from-home options

IV. SUPPORT FOR MINORITY- AND WOMEN-OWNED BUSINESSES

MCIC did not originate or service any loans during Fiscal Year 2025 and therefore did not directly provide outreach, marketing, or technical support to minority- and women-owned businesses. The Corporation affirms its commitment to civil rights compliance and to advancing fairness and inclusion as core organizational values.

During the year, MCIC participated in the Economic Opportunity Working Group of the Baltimore Vacants Reinvestment Council, which focuses on local hiring and equitable development strategies. MCIC also welcomes future collaboration with the Maryland Small Business Development Financing Authority to ensure that women- and minority-owned businesses benefit equitably from financing opportunities.



V. INVESTMENTS AND FUNDED ENTITIES

MCIC did not provide loans or investments in Fiscal Year 2025, as organizational efforts focused on establishing governance, compliance, and operational systems.

Beginning in Fiscal Year 2026, MCIC will serve as the financial intermediary for the Baltimore Vacants Reinvestment Initiative (“BVRI”). Through this role, MCIC will deploy approximately \$30 million in lending and investment capital to 20 CDOs selected by the Maryland DHCD. These partners will be included in MCIC’s Fiscal Year 2026 report, with detailed information on employment, capital investment, and project impact.

VI. ADVISORY COMMITTEE

In November 2024, MCIC established an initial Community Advisory Board (“CAB”) as a prerequisite to achieving Community Development Entity certification from the U.S. Department of the Treasury’s Community Development Financial Institutions Fund. Four members served on the CAB in Fiscal Year 2025:

- Comptroller Brooke Lierman
- Michael Bainum, ReBuild Metro
- Lauren Kelly-Washington, Deutsche Foundation
- Kristin Dawson, Maryland DHCD

The CAB met once during the fiscal year to receive a briefing from MCIC leadership and to provide input on strategy development.

Looking ahead, MCIC intends to significantly expand the CAB to reflect a regional structure. Advisory Boards will be established for the Eastern Shore, Capital Region, Baltimore, and Western Maryland to ensure diverse and representative community input into MCIC’s strategy and operations.

VII. BOARD POLICIES (INCLUDED BELOW)

Fiscal Year 2025 marked the Corporation's first year of operations. Accordingly, the Board adopted foundational governance and management policies, including:

- Procurement Policy
- Financial Accounting and Control Policy
- Amended and Restated Bylaws

**A RESOLUTION OF
THE BOARD OF DIRECTORS OF THE MARYLAND COMMUNITY
INVESTMENT CORPORATION**

**AUTHORIZING AND APPROVING A PROCUREMENT POLICY MANUAL;
AUTHORIZING AND DIRECTING THE OFFICERS OF THE
CORPORATION TO IMPLEMENT AND ADMINISTER THE POLICY.**

WHEREAS, the Maryland Community Investment Corporation (“Corporation”) is exempt from Division II of the State Finance & Procurement Article of the Annotated Code of Maryland; and

WHEREAS, the Corporation is required, however, to adopt a written statement of its procurement policies and procedures to set out the procedures for the direct purchase of goods and services from operating funds. These policies and procedures are not intended to apply to programming and other restricted funding; and

WHEREAS, it is necessary and desirable for the Board of Directors to approve the Procurement Policies and establish the Corporation’s procurement policies and procedures.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
MARYLAND COMMUNITY INVESTMENT CORPORATION, AS FOLLOWS:**

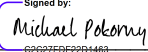
Section 1. Approval of the Procurement Policy Manual. The Board of Directors hereby approve, and authorize and direct the officers of the Corporation to implement, the Procurement Policies Manual substantially in the form as attached as **Exhibit A**.

Section 2. Further Authority. The Board of Directors hereby authorize the Corporation’s Chief Executive Officer (“*CEO*”), in the exercise of his discretion, but subject to the terms and intent of this Resolution, to adopt such further forms and documentation as may be necessary and advisable to implement the Procurement Policies Manual. The CEO and the officers, agents, and employees of the Corporation are hereby authorized and directed to take the actions and execute, and deliver such other documents and instruments, as described in the Procurement Policies Manual.

Section 3. Governing Law. This Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State of Maryland.

Section 4. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the Corporation.

This Resolution of the Board of Directors of the Maryland Community Investment Corporation is duly **ADOPTED** this 18th day of August, 2025.

By:  (SEAL)
Michael Pokorny, CEO

APPROVED AS TO FORM
AND SUFFICIENCY:

By: 
Assistant Attorney General

EXHIBIT A

Procurement Policies Manual



MARYLAND COMMUNITY INVESTMENT CORPORATION

PROCUREMENT POLICY

August 18, 2025

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I. STATEMENT OF POLICY

The Maryland Community Investment Corporation (“MCIC” or “Corporation”) is a body politic and public instrumentality of the State of Maryland (“State”). MCIC is exempt from Maryland Code, Division II of the State Finance & Procurement Article; however, it is required to adopt a written statement of its procurement policies and procedures. The purpose of this Procurement Policy is to set out the procedures for the direct purchase of goods and services from operating funds of the MCIC. This Policy may only be amended by the Board of Directors. This Policy is intended to govern concurrently with the MCIC Financial and Accounting Control Policy.

II. GENERAL PROCUREMENT POLICIES

2.0 General Policies

1. This Procurement Policy applies only to the direct purchase of goods and services¹.
2. MCIC is exempt from all, and does not pay, State and local taxes for any purchase.
3. All purchases by any employee must be made within the Board of Director approved Corporate budget, within the applicable budget-line category, which must have an available balance.
4. All purchases shall be made only as reasonably necessary, only for a business purpose, and when in good business practice or judgment.
5. All purchases will be under a best value policy: goods and services will be purchased at the best value based upon quality, price, timeliness, and performance for the particular need of MCIC.
6. MCIC will strive to ensure that an open and fair competitive process is utilized in the purchase of goods and services, use reasonable efforts to purchase from approved vendors which have been properly vetted through a competitive process by any State agency or independent unit, and, where appropriate to the need, purchase goods and services in the open market for immediate purchase and/or delivery.

2.1 Small Business Reserve Program Policy. MCIC will prioritize providing small businesses with the opportunity to participate in purchases. Although MCIC is exempt from Division II of the State Finance & Procurement Article of the Annotated Code of Maryland, MCIC will strive to achieve the goals of the Comptroller’s Office of Small Business and

¹ In transactions where MCIC is participating in its role as a lender and investor related to New Market Tax Credits or other community development finance activities, those transactions will be governed by the MCIC Investment Policy or related program requirements.

the Small Business Reserve Program. MCIC will seek to achieve an average of thirty percent (30%) of purchases and procurements from Certified Small Businesses designated in the Comptroller's Office Small Business Reserve Program.

2.2 MBWE Procurement Contracting Policy. MCIC's mission values the investment in, and growth alongside of, Minority and Women-Owned Business Enterprises. Although MCIC is exempt from Division II of the State Finance & Procurement Article of the Annotated Code of Maryland, MCIC will strive to achieve the State's Office of Small, Minority and Women Business Affairs (OSMWBA) established minimum percentage goal of the dollar value for procurement contracts made directly or indirectly to certified MBE and WBE. MBE/WBE firms shall be identified through the State's Department of Transportation directory, the Governor's OSMWBA, and through the Comptroller's Office of Small Business. MBE/WBE utilization shall be reported to the Board of Directors as a part of the Corporation's annual financial reporting.

2.3 HBCU Procurement Efforts Policy. In addition, MCIC will endeavor, where feasible, to consider the capabilities and services to meet MCIC's needs available at the State's four HBCU's: Bowie State University, Coppin State University, Morgan State University, and the University of Maryland Eastern Shore.

2.4 Conflict of Interest Policy. MCIC requires full and open disclosure when dealing with the purchasing of goods and services. Employees and members of the Board of Directors involved with any procurement activity must at all times provide full disclosure of their relationships with prospective vendors, contractors, or consultants. Any employee or Board member who has a real or apparent conflict of interest shall withdraw from the procurement process. An example of an apparent conflict of interest could include procuring goods or services from a vendor in which an employee or Board member is affiliated; a direct conflict of interest includes when an employee or Board member has an ownership or financial interest. In addition, employees and members of the Board of Directors are subject to the State's Public Ethics Law, Title 5 of the General Provisions Article, including the provisions regarding Conflicts of Interest (Subtitle 5).

2.5 Emergency Purchases. Emergency purchases are used for goods or services that:

1. cannot be anticipated; and
2. require immediate attention; and
3. are necessary to fulfill an immediate need or use; and
4. cannot be accomplished by the use of a competitive solicitation.

A written request must be submitted to the CEO as soon as possible immediately following the occurrence of the emergency situation. Approval by the CEO qualifies the purchase as an emergency and shall be reported to the Board of Directors as soon as practical. Emergency purchases in excess of \$85,000 require notification to the Board of Directors prior to executing the purchase.

2.6 Single-Source and Inter-agency Procurements

(a) MCIC reserves the right to make procurements on a single or sole source basis when it has been determined that doing so without multiple bid or quote solicitations, as otherwise required in the Policy, is in the best interest of MCIC. A written justification shall be prepared, signed by the CEO, reported to the Board of Directors as soon as practical, and kept on file for any single source procurement. This justification should include the following information:

1. A specific description of the supplies or services required, and a statement of facts that show the unique qualifications or services or items selected to satisfy those needs;
2. Documentation that the anticipated price is fair and reasonable;
3. Any other information supporting the use of other than full and open competition

(b) Single or sole source justifications for procurements of over \$100,000 must be approved by MCIC's Board of Directors.

(c) Specific public policy objectives or performance requirements typically make a competitive procurement inapplicable to the purchase of goods or services through interagency agreements with units of local, State, or Federal government. MCIC adopts the policy likewise making a competitive procurement inapplicable in the utilization of interagency agreements.

2.7 Contract Renewals. When it is necessary to extend a particular purchase or procurement beyond its initial term through a purchase agreement amendment or renewal, MCIC may renew the agreement or amend it to extend the term for up to two (2) one-year extensions before other vendors must be considered either through a new purchase or procurement process, as applicable.

2.8 Acceptance and Verification

All purchases of goods and services shall be monitored to ensure the contractor's or vendor's fulfillment is complete and meets all requirements. The employee responsible

for the procurement shall inspect all goods or services upon delivery and document verification and acceptance of the fulfillment by initialing the shipping invoice, receipt or bill of lading, which shall be retained as a part of the procurement record. If the vendor violates any of the terms or conditions of the procurement, the CEO shall be notified immediately by the employee responsible so appropriate corrective action may be taken with the General Counsel. Any corrective action shall be documented, signed, and retained as a part of the procurement record.

III. PROCESSES FOR PURCHASING GOODS AND SERVICES

3.0 Purchases Above \$250,000. All contracts and projected purchases of goods and services of a value of greater than \$250,000 shall require a presentation to, and the review and approval of, the Board of Directors.

3.1 Purchases Under \$10,000. Purchases of offices supplies and miscellaneous goods and services with a total or projected cost of less than \$10,000 are exempt from these Policies.

3.2 Purchases Between \$10,000 and \$50,000. Purchases under this category will be made by Informal Quote. Informal quotes can be provided verbally by contractor or vendor. Employees shall:

- 1) Prepare written specifications and provide all vendors uniform specifications.
- 2) Contact at least three (3) vendors requesting quotes, as documented in writing for the contact, response, and resulting quote, including contacting certified MBE vendors when available.
- 3) When all requirements and documentation are met, the purchase should be awarded to the lowest price and best responsive, responsible bidder.
- 4) In the event quotes are within 10%, the CEO may use professional judgement to award the work to bidder best suited to meet the needs of the MCIC.
- 5) All written documentation must be kept as part of the procurement record and will be used in the event a contract is created.
- 6) Purchases can only be approved by an authorized MCIC employee.
- 7) It is important that all quotes be evaluated for under the best value policy
- 8) Purchases may be made and documented through a purchase order form.
- 9) Vendors should be informed that only a best and final offer will be accepted.

Exhibit A includes a checklist that must be followed for purchases made under this Section 3.2 to ensure compliance with this Policy.

3.3 Purchases Between \$50,001 and \$100,000. Purchases under this category will be made by Formal Quote. Formal quotes must be received in writing from contractor or vendor. Employees shall:

- 1) Prepare written specifications and provide all vendors uniform specifications.
- 2) Contact at least three (3) vendors requesting quotes, as documented in writing for the contact, response, and resulting quote, including contacting certified MBE vendors when available.
- 3) When all requirements and documentation are met, the purchase should be awarded to the lowest price and best responsive, responsible bidder.
- 4) In the event quotes are within 10%, the CEO may use professional judgement to award the work to bidder best suited to meet the needs of the MCIC.
- 5) All written documentation must be kept as part of the procurement record and will be used in the event a contract is created.
- 6) Purchases can only be approved by an authorized MCIC employee.
- 7) It is important that all quotes be evaluated for under the best value policy
- 8) Purchases may be made and documented through a purchase order form or procurement contract.
- 9) Vendors should be informed that only a best and final offer will be accepted.

Exhibit B includes a checklist that must be followed for procurements made under this Section 3.3 to ensure compliance with this policy. The checklist must be approved, as indicated by signature, by the CEO.

3.4 Purchases Greater than \$100,001. Purchases under this category will be made through a formal competitive solicitation request process. A Request for Proposal (“RFP”) is a formal procedure to receive proposals where it is intended for a contractor or vendor to be selected that can provide the goods, services, or goods with services, as required, under the best value policy and not necessarily sought solely upon the lowest price. An Invitation for Bids (“ITB”) is a formal procedure to receive bids where it is intended that an award will be made to the contractor or vendor that can provide the goods, services, or goods with services, as required, at the lowest price with the best responsive and responsible bid. Employees shall:

- 1) Prepare the RFP or ITB with the following information:
 - a. Brief statement of purpose or solicitation intent
 - b. Clear statement of products or services required
 - c. Date and time of RFP/ITB submission due date
 - d. Location/means for RFP/ITB submission (e.g. via online, email, fax, mail)

- e. Point of contact for questions, FAQ issuance, and question cut-off dates
 - f. Evaluation requirements, point scoring, or ranking/rating criteria
 - g. Any other information which it might be necessary or desirable to provide
- 2) MCIC will post notices of RFP/ITBs on its website and may post notices on trade-related sites for solicitations, through social media, and by other means, for not less than twenty-one (21) calendar days (not including State holidays) prior to the submission due date to ensure broad distribution of the opportunity and sufficient time for interested vendors to respond. In addition, MCIC may send solicitations to a number of known agencies or companies that have sufficient qualifications and experience to submit a proposal.
 - 3) All RFPs and ITBs will be reviewed and evaluated by the CEO and other appropriate individuals (e.g., staff, technical experts, or members of the Board of Directors).
 - 4) Standard evaluation criteria and a cost/price analysis may be used to review each bid/proposal, as applicable and as stated in the RFP/ITB. Standard evaluation criteria will include a review of the stated bid/proposal price, quality, delivery terms, contractor integrity, financial and technical resources, and record of past performance. A costs analysis will include a review of each element of a bid/proposal for additional costs or “extras” that must be added to the stated bid/proposal price. A price analysis will include comparing unit price quotations, market prices, and similar information. A standard evaluation and/or cost/price analysis must provide the basis for the final contractor or vendor selection.
 - 5) Once a decision has been made, a contract will be negotiated with the selected contractor.

Exhibit C includes a checklist that must be followed for procurements made under this Section 3.4 to ensure compliance with these policies and procedures. The checklist must be approved, in writing, with signature, by the CEO.

3.5 Time & Material (T&M) Contracts.

- a) T&M Contract may be issued only when it is not possible at the time of the contract to estimate accurately the extent or duration of the work or to anticipate the costs with any reasonable degree of confidence and only if no other contract type is suitable. T&M Contracts require written approval from the CEO to indicate all other contract types have been evaluated and are not suitable.
- b) T&M Contracts require a clear and descriptive proposal from the contractor to include a description of the scope of work, an “Allowable Cost and Payment

Amount” which serves as the contract ceiling amount, the duration of the contract (not greater than one (1) year), an Hourly Rate Sheet defining the hourly rate for each of the contractor’s labor categories, a Reimbursable Expenses Rate Sheet containing all possible material costs related to the T&M Contract scope of work, as applicable, and the allowable rate of contractor and subcontractor overhead and markup percentages.

- c) If the T&M contractor will utilize subcontractors, a clear and descriptive proposal from the subcontractor must be included in the contractor’s proposal.
- d) Should a T&M Contract require a longer duration to complete the scope of work, a contract amendment or changer order may be executed to extend the end date for an additional one (1) year under the same terms and conditions.
- e) Should a T&M Contract require an increased Allowable Cost and Payment Amount, a contract amendment or change order may be executed to increase the amount once the contractor has satisfactorily completed at least 85% of the established Allowable Cost and Payment Amount and scope of work. A contractor may not be allowed to earn more than \$100,000 in any fiscal year, inclusive of contract amendments or change orders.
- f) MCIC will pay monthly T&M Contract invoices only if accompanied by the following:
 - 1. A detailed invoice, itemized statement of work completed and bill of materials
 - 2. Timesheets from the contractor for all hours worked with labor category/unit for all invoiced hours indicated on the timesheet
 - 3. All materials and supply house invoices, if any
 - 4. All subcontractor invoices, if any
 - 5. A break-out showing the overhead and markup allowed in contract; and
 - 6. Approval from the MCIC staff responsible monitoring the contract.

Exhibit D includes a checklist that must be followed for procurements made under this Section 3.5 to ensure compliance with these policies and procedures. The checklist must be approved, in writing, with signature, by the CEO.

3.6 Request for Qualifications and Vendor Lists. A modified RFP process may be used for solicitation on a rolling basis requesting the written statements of qualifications (RFQ) of contractors or consultants, or for the purposes of developing a specified list of pre-qualified contractors or vendors to be routinely used or accessed by MCIC. Such RFQ and Vendor Lists shall be effective for no longer than a two-year (2) period from the date of

issuance and MCIC shall establish a purchase account when utilizing a contactor or vendor from a list. Purchases will be made through a Purchase order form if an amount is projected to exceed \$1,000.00. The following procedures will be used for RFQs and Vendor Lists:

- a. MCIC will post an open solicitation for contractors, consultants and vendors who can be used by a variety of programs and purposes. The solicitation will be posted as in Section 3.4, above.
- b. On a rolling, as needed basis, MCIC will review solicitation responses for potential contractors, consultants and vendors and select any number for its approved pre-qualified contractor, consultant or vendor list. Selections will be based on the expertise, experience, and ability of contractors, consultants, and vendors to meet the needs of one or more active programs or purposes for MCIC.
- c. Once contractors, consultants or vendors are placed on an approved list, they may be engaged by MCIC for any program; however, pre-qualified contractors, consultants or vendors may not earn more than \$50,000 in any fiscal year. Advisors may remain on an approved list for a period of two (2) years and then must reapply and reapproved/re-qualified.
- d. MCIC will retain records of the selection process for each pre-approved list and the contractors, consultants, and vendors selected, including the date approved and the date of 2-year date for re-application.

Exhibit E includes a checklist that must be followed for procurements made under this Section 3.6 to ensure compliance with these policies and procedures.

3.7 Lease Versus Purchase Analysis

Any analysis as to whether it is more cost effective or practical to purchase or lease office equipment, supplies, or a particular item will be made by the CEO. Leases shall be subject to the same conditions and requirements of this Procurement Policy.

IV. POLICIES RELATED TO THE PROCUREMENT PROCESS

4.0 Purchasing Authority

The CEO shall have the authority to approve all procurement purchases for goods and services under this Policy with a purchase or contract value up to \$250,000. MCIC shall maintain a written record of any approved designations and the scope of each designee's authority to procure or to approve the procurement of goods and services. All procurements with a value of over \$250,000 must be approved by the Board of Directors.

4.1 Payment Methods and Records

(a) When purchasing goods and services, MCIC will use one of three basic forms and payment methods: (1) purchase on account credit, (2) credit card purchases, and (3) procurement contracts.

- 1. Purchase on Account Credit:** For the purchase of reasonable quantities of goods or services needed to support its operations, such purchases on account credit require supervisor approval and will be documented with a Payment Authorization Form with a vendor invoice attached.
- 2. Credit Card Purchases:** For the purchase of routine, reasonable quantities of office supplies, equipment, and other recurring expenditures, such credit card purchases may be used when it provides clear efficiency or convenience over other methods of procuring goods and services (i.e., when making travel arrangements). Such purchases require approval from an authorized credit card holder. MCIC's CEO has the authority to issue credit cards to individual staff. All credit card purchases must be supported with a receipt or proof of transaction reflecting the vendor, date, and purchase, accompanied by a vendor invoice, if any, and to be submitted the Finance Officer. The responsible card holder will ensure the purchase complies with this Procurement Policy and shall sign and date the documentation submitted to the Finance Officer.
- 3. Procurement Contracts:** For the procurement of specialized services or goods with individuals or businesses, such procurement contracts will clearly specify the scope of work, rate and terms of compensation, time period, milestones and deliverables, and other pertinent terms of agreement. Such specialized transactions will be documented by a written contract prepared or reviewed by MCIC's General Counsel. All procurement contracts shall be reviewed and approved by General Counsel before execution.

4.2 Prohibited Provisions.

(a) Except as may be required by State or federal law, and except as may be provided in contracts with the State, MCIC will ensure that the purchases or goods and services through the use of any written form or contract for procurement, purchase, or payment, does not include any of the following provisions:

1. A provision that requires MCIC to pay or to be allocated, any State or local tax.
2. A provision that requires MCIC to indemnify, defend, or hold harmless another person without an appropriation of State funds for that purpose;
3. A provision by which MCIC agrees to binding arbitration or any other binding

- extrajudicial dispute resolution process;
4. A provision that names a state for governing law or a jurisdiction and venue for any action or dispute against MCIC other than in the State;
 5. A provision that requires MCIC to agree to limit the liability for any direct loss to MCIC for bodily injury, death, or damage to the property of MCIC caused by the negligence, intentional or willful misconduct, fraudulent act, recklessness, or other tortious conduct of a person or a person's employees or agents or a provision that would otherwise impose an indemnification obligation on MCIC;
 6. A provision that requires MCIC to be bound by a term or condition that:
 - (i) is unknown or cannot be reasonable described or stated at the time of signing the Procurement Instrument;
 - (ii) may be unilaterally changed by the other party; or
 - (iii) allows electronic acceptance by an MCIC employee without authority;
 7. A provision that provides for a legal advisor to the Corporation other than the State Attorney General, except with the prior approval of the Attorney General;
 8. A provision that is inconsistent with MCIC's obligations under the Open Meetings Act and the Public Information Act, respectively;
 9. A provision for automatic renewal that requires MCIC to obligate, allocate or encumber funding in subsequent fiscal years; or
 10. A provision that limits MCIC's ability to recover the cost of a replacement vendor or contractor.

(b) MCIC will use reasonable, good faith efforts in negotiating and executing any written form or contract for procurement, purchase, or payment to not include any of the foregoing prohibited provisions, unless approved by the Board of Directors.

4.3 Purchase Records. MCIC shall maintain the following categories of records in accordance with the corporation's records policy:

(a) For each procurement, except for routine purchase under \$1,000 and monthly utility payments, MCIC shall maintain on file the following information:

1. Procurement Instrument (Purchase on Credit, Credit Card, or Procurement Contract)
2. Receipt/Invoice
3. What the goods or services were used for (purpose of the procurement)
4. Indication that the procurement fulfillment was accepted and verified
5. Information on the vendor including size, ownership, and location of headquarters.

(b) For each procurement action of \$10,000 or more, MCIC shall maintain on file the following additional information:

1. Copies of all bids and offers and a basis for contractor selection
2. All purchase specifications including delivery requirements
3. Cost/price analysis that was the basis for the award, if applicable, analysis to include comparison of price quotations or comparison to market prices and consideration of other factors
4. If a single source was used, written justification as to why
5. Purchase Checklists attached hereto, as applicable, with supporting documents.
6. The ownership status (e.g. minority, woman) and headquarters location of each contractor from which goods or services were procured.

(c) All procurement records for purchases will be maintained by MCIC's Finance Officer and will be made available to MCIC's Board upon request.

4.4 Vendor in Good Standing

Prior to selecting any contractor, consultant, or vendor carrying on a regular course of business in the State of Maryland, MCIC will confirm that the vendor is in good standing with the State by performing a search on the vendor's name using the [State's SDAT database](#):

<https://egov.maryland.gov/BusinessExpress/EntitySearch>

EXHIBIT A – Checklist for Purchases between \$10,001 and \$50,000

To ensure that all steps associated with a procurement are compliant with *MCIC's Procurement Policy*, please verify that each of the following has been completed as part of the procurement process:

Procurement Method: **Informal Quote**

Payment Method: Account Credit Credit Card Contract

Vendor Information: [Name]
 [Address]
 [Contact Name]
Procurement Description: [Description]

- | <u>Completed</u> | <u>Description</u> |
|--------------------------|---|
| <input type="checkbox"/> | Allowed for equal opportunity for small, minority-owned, and women-owned businesses considered |
| <input type="checkbox"/> | No conflicts of interest with vendor |
| <input type="checkbox"/> | Three (3) quotes requested and documented; <u>OR</u>
Written single/sole source justification completed and approved |
| <input type="checkbox"/> | Evaluated under best value policy |
| <input type="checkbox"/> | Verified that vendor is in good standing with the State of Maryland |
| <input type="checkbox"/> | Verified no prohibited language in purchase transmittals, P.O., "fine print" |
| <input type="checkbox"/> | Filed all documentation |

ACCEPTED AND APPROVED:

By: _____ Date: _____

Name:

Title:

EXHIBIT B – Checklist for Purchases between \$50,001 and \$100,000

To ensure that all steps associated with a procurement are compliant with *MCIC's Procurement Policy*, please verify that each of the following has been completed as part of the procurement process:

Procurement Method: **Formal Quote**

Payment Method: Account Credit Credit Card Contract

Vendor Information: [Name]
 [Address]
 [Contact Name]
Procurement Description: [Description]

- | <u>Completed</u> | <u>Description</u> |
|--------------------------|---|
| <input type="checkbox"/> | Allowed for equal opportunity for small, minority-owned, and women-owned businesses considered |
| <input type="checkbox"/> | No conflicts of interest with vendor |
| <input type="checkbox"/> | Three (3) written formal quotes or proposals requested and documented; <u>OR</u>
Written single/sole source justification completed and approved |
| <input type="checkbox"/> | Evaluated under best value policy |
| <input type="checkbox"/> | Verified that vendor is in good standing with the State of Maryland |
| <input type="checkbox"/> | Verified no prohibited language in purchase transmittals, P.O., purchase agreement, "fine print" |
| <input type="checkbox"/> | Filed all documentation |

ACCEPTED AND APPROVED:

By: _____ Date: _____
Name:
Title:

EXHIBIT C – Checklist for Purchases Greater than \$100,001

To ensure that all steps associated with a procurement are compliant with *MCIC's Procurement Policy*, please verify that each of the following has been completed as part of the procurement process:

Procurement method: RFP ITB
Payment method: Account Credit Contract

Vendor Information: [Name]
 [Address]
 [Contact Name]
 Procurement Description: [Description]

- | <u>Completed</u> | <u>Description</u> |
|--------------------------|--|
| <input type="checkbox"/> | (For contracts) Reviewed and approved by AG's Office |
| <input type="checkbox"/> | Allowed for full and open competition; equal opportunity for small, minority-owned, and women-owned businesses considered |
| <input type="checkbox"/> | No conflicts of interest with vendor |
| <input type="checkbox"/> | Prepared the RFP or ITB with the following information: <ul style="list-style-type: none"> a. Brief statement of purpose or solicitation intent b. Clear statement of products or services required c. Date and time of RFP/ITB submission due date d. Location/means for RFP/ITB submission (e.g. via online, email, fax, mail) e. Point of contact for questions, FAQ issuance, and question cut-off dates f. Evaluation requirements, point scoring, or ranking/rating criteria g. Any other information which it might be necessary or desirable to provide |
| <input type="checkbox"/> | Posted notice of RFP/ITBs as required for not less than twenty-one (21) calendar days (not including State holidays) prior to the submission due date |
| <input type="checkbox"/> | Standard evaluation criteria and a cost/price analysis may be used to review each bid/proposal, as applicable and as stated in the RFP/ITB. |
| <input type="checkbox"/> | At least Three (3) written bids obtained; <u>OR</u>
Written single/sole source justification completed and approved |
| <input type="checkbox"/> | Approval by CEO (projected procurement is not greater than \$250,000) |
| <input type="checkbox"/> | Verified that vendor is in good standing with the State of Maryland |
| <input type="checkbox"/> | Filed all documentation |

ACCEPTED AND APPROVED:

By: _____

Date: _____

Name:

Title:

EXHIBIT D – Checklist for Purchases Time and Material Contracts

To ensure that all steps associated with a procurement are compliant with *MCIC’s Procurement Policy*, please verify that each of the following has been completed as part of the procurement process:

Procurement Method: **T&M Proposal**

Payment Method: Account Credit Credit Card Contract

Vendor Information: [Name]
 [Address]
 [Contact Name]
Procurement Description: [Description]

- | <u>Completed</u> | <u>Description</u> |
|--------------------------|---|
| <input type="checkbox"/> | Allowed for small, minority-owned, and women-owned businesses considered |
| <input type="checkbox"/> | No conflicts of interest with vendor |
| <input type="checkbox"/> | a) Contractor provided clear proposal, including scope of work, an “Allowable Cost and Payment Amount” which serves as the contract ceiling amount, the duration of the contract (not greater than one (1) year), an Hourly Rate Sheet defining the hourly rate for each of the contractor’s labor categories, a Reimbursable Expenses Rate Sheet containing all possible material costs related to the T&M Contract scope of work, as applicable, and the allowable rate of contractor and subcontractor overhead and markup percentages |
| <input type="checkbox"/> | b) Contractor provides list of subcontractors to be utilized, if any |
| <input type="checkbox"/> | T&M Proposal evaluated under best value policy |
| <input type="checkbox"/> | Verified that vendor is in good standing with the State of Maryland |
| <input type="checkbox"/> | Verified no prohibited language in purchase transmittals, P.O., purchase agreement, “fine print” |
| <input type="checkbox"/> | Filed all documentation |

ACCEPTED AND APPROVED:

By: _____ Date: _____

Name:
Title:

EXHIBIT E – Checklist for RFQ for Pre-Qualified Consultants/Vendor Lists

To ensure that all steps associated with a procurement are compliant with *MCIC's Procurement Policy*, please verify that each of the following has been completed as part of the procurement process:

Procurement method: RFQ

Payment method: Account Credit Contract

Vendor Information: [Name]
 [Address]
 [Contact Name]
Procurement Description: [Description]

- | <u>Competed</u> | <u>Description</u> |
|--------------------------|--|
| <input type="checkbox"/> | (For contracts) Reviewed and approved by AG's Office |
| <input type="checkbox"/> | Allowed for full and open competition; equal opportunity for small, minority-owned, and women-owned businesses considered |
| <input type="checkbox"/> | No conflicts of interest with vendor |
| <input type="checkbox"/> | Prepared the RFQ with the following information: <ul style="list-style-type: none"> a. Brief statement of purpose or solicitation intent b. Clear statement of products or services required c. Location/means for RFP/ITB submission (e.g. via online, email, fax, mail) d. Point of contact for questions, FAQ issuance, and question cut-off dates e. Evaluation requirements, criteria f. Any other information which might be necessary or desirable to provide |
| <input type="checkbox"/> | Posted notice of RFQ as required |
| <input type="checkbox"/> | Verified that vendor is in good standing with the State of Maryland |
| <input type="checkbox"/> | Filed all documentation |

ACCEPTED AND APPROVED:

By: _____ Date: _____

Name:

Title:

**A RESOLUTION OF
THE BOARD OF DIRECTORS OF THE MARYLAND COMMUNITY
INVESTMENT CORPORATION**

**AUTHORIZING AND APPROVING A FINANCIAL AND ACCOUNTING
CONTROL POLICY; AUTHORIZING AND DIRECTING THE OFFICERS OF
THE CORPORATION TO IMPLEMENT AND ADMINISTER THE POLICY.**

WHEREAS, the Board of Directors find that it is in the best interests and business practices for the Maryland Community Investment Corporation (“Corporation”) to consider policies and procedures with the objective to safeguard the assets of the Corporation; and

WHEREAS, a stated policy of financial and accounting controls would develop an appropriate level of fiduciary responsibility in the management of Corporate funds and ensure that the disbursements and payments of funds occur only upon proper authorization, for a verified, valid Corporate purpose; and

WHEREAS, it is necessary and desirable for the Board of Directors to approve a Financial and Accounting Control Policy and establish the Corporation’s policies and procedures.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
MARYLAND COMMUNITY INVESTMENT CORPORATION, AS FOLLOWS:**

Section 1. Approval of the Financial and Accounting Control Policy. The Board of Directors hereby approve, and authorize and direct the officers of the Corporation to implement, the Financial and Accounting Control Policy (“Policy”) substantially in the form as attached as **Exhibit A**.

Section 2. Further Authority. The Board of Directors hereby authorize the Corporation’s Chief Executive Officer (“CEO”), in the exercise of his discretion, but subject to the terms and intent of this Resolution, to adopt such further forms and documentation as may be necessary and advisable to implement the Policy. The CEO and the officers, agents, and employees of the Corporation are hereby authorized and directed to take the actions as described in the Policy.

Section 3. Governing Law. This Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State of Maryland.

Section 4. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the Corporation.

This Resolution of the Board of Directors of the Maryland Community Investment Corporation is duly **ADOPTED** this 18th day of August, 2025.

Signed by:
By: Michael Pokorny (SEAL)
C2C27E0E22D1483
Michael Pokorny, CEO

APPROVED AS TO FORM
AND SUFFICIENCY:

Signed by:
By: Debraj Dutt
C895636329A4429...
Assistant Attorney General

EXHIBIT A

Financial and Accounting Control Policy



MARYLAND COMMUNITY INVESTMENT CORPORATION

FINANCIAL AND ACCOUNTING CONTROL POLICY

ADOPTED AUGUST 18, 2025

Table of Contents

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I. Disbursements and Payments

A. Statement of Policy

The intent of this Policy is to establish guidelines for internal controls for the handling of Corporate funds. In order to best safeguard the assets of the Corporation, the objective is to ensure an appropriate level of fiduciary responsibility in the management of Corporate funds and to ensure that the disbursements and payments can occur only upon proper authorization, for a verified, valid Corporate purpose, and with proper recordation and documentation. The Corporation may employ staff or engage appropriate professional firms to fulfill the roles and duties in this Policy and utilize banking, accounting and loan software and systems, and the like, as necessary; as used herein, financial staff is referred to as “Bookkeeper” until additional staff is hired. It is the intent that this Policy is complimentary to the Corporation’s Procurement Manual and is not intended to serve as a policy for procurement matters. If any overlap in the provisions of this Policy and the Procurement Manual should occur, the more restrictive applicable provision shall apply.

B. Procedures

1. **Segregation of Duties.** No disbursement or payment transaction shall be handled by only one person from beginning to end.
 - a. Payment of all invoices and disbursements of Corporate funds shall be authorized by the appropriate Corporate employees being the Chief Executive Officer (“CEO”), Managing Director, and/or the Chairperson or Treasurer of the Board of Directors.
 - b. Invoices and requests for disbursements shall be coded by the appropriate Corporate employee and then submitted to the Bookkeeper, or designee, for recording and processing of payment. All payments and disbursements shall be recorded against the appropriate account or fund within the Corporation’s annual budget.
 - c. Disbursements of funds and the payment of invoices, whether by physical check, bank check, or an electronic transfer, shall be signed or authorized by one of two (2) different “authorized signers” being the CEO, Managing Director, and Bookkeeper, and the Chairperson and Secretary of the Board of Directors. This list of designated “authorized signers,” by name, shall be filed with the Board Treasurer and also with the Secretary of the Corporation for keeping with the Corporation’s records. The designation of “authorized signers” may be updated from time to time in writing.
 - d. The disbursement of funds and payment of invoices may be approved by “authorized signers” only if the appropriate account or fund within the Corporation’s annual budget has an available balance.
 - e. The disbursement of any funds and payment of invoices or accounts by ACH, wire transfer, or any electronic transmittal of funds shall comply with Section 3, below.
 - f. Bank reconciliations shall be prepared at the close of each month by the Bookkeeper, or their designee.
 - g. Interim financial reports and records of Corporation transactions for payments and disbursements will be presented to the Board of Directors at each meeting. Financial reports shall be prepared by the Bookkeeper and presented to the Board of Directors on a quarterly basis.

- h. Section B.1.c, above, notwithstanding, miscellaneous office supplies may be ordered by the appropriate administrative employee and approved by the CEO, Managing Director or Bookkeeper. The purchase of office equipment, furniture, and computer/electronic equipment and devices shall require the approval of the CEO, Managing Director, and/or Treasurer, and the Bookkeeper shall record how such items are allocated when the invoices and/or request for payment is received. These invoices may be reviewed and authorized/paid by one of two approvers in this Section (h).
- i. Physical checks, if any, when properly executed by two signers, shall be processed and mailed by the Bookkeeper. The detachable check voucher or stub will be attached and/or appropriately retained with the invoice.

2. Accounting Controls General Disbursements.

- a. All general disbursements and payments, other than from payroll, made electronically, or by credit card, will be made by pre-numbered, printed checks.
- b. All general disbursements of funds require approval in advance by the Board of Directors, or as such approval may be delegated by the Board. The following items are exceptions:
 - Line item disbursement or expense approved in the Corporation's annual budget
 - Debt service payments, including principal, interest, and fiscal agent fees
 - Payroll and related liability payments
 - Investment acquisition
 - Disbursements for Board approved programs for loan, grant, and financial assistance
 - Lease or rental payments
 - Postage
 - Contract or other payments having specific Board or CEO pre-approved payment instructions
 - If approved by the CEO:
 - Payments in which a substantial discount can be realized by timely payment
 - Payments where a substantial late charge would be incurred if timely payment was not made
 - Payments for regular/reoccurring expenditures (i.e. bill pay)
 - Other general expenditures as may be approved by the CEO
- c. It is not permissible to draw checks payable to Cash.
- d. Under no circumstances will blank checks be signed in advance.
- e. Expenditures must be approved in advance by authorized person(s) as defined within this policy, with the exception of those items as outlined in (a) above.
 - The Corporation will not honor any claim for services or a reimbursement request for services that were provided or performed without prior authorization or a binding contract between that individual or provider and the Corporation. In the event that a claim is submitted to the Corporation for work or service without Corporation authorization, in consultation with General Counsel, the claim may be disallowed and marked accordingly. Corporation staff shall return a copy of the claim to the claimant identifying the reason for denial.
 - Disallowed claims shall be so marked and kept on record by the Bookkeeper for an

appropriate time.

- f. All signed checks will be mailed promptly by the Bookkeeper, or their designee.
- g. Invoices will be filed with the check voucher/stub that identifies the date paid, amount of check and check number.
- h. Invoices and requests for reimbursement will be checked for accuracy and reasonableness before approval.
- i. A monthly check register will be prepared that details the date of the check, check number, amount of check, and description of expense account to be charged.
- j. Unpaid invoices shall be maintained in an appropriate tracking system by the Bookkeeper.
- k. Expense reports for travel-related expenses shall be submitted on a timely basis and only in accordance with the approval requirements in the Employee Handbook.

3. Electronic or Wire Transfers.

- a. All ACH, wire transfers or electronic fund transfers (those terms used herein interchangeably) will generally be for:
 - o Debt service payments, including principal, interest, and fiscal agent fees
 - o Payroll and related liability and benefit payments
 - o Investment acquisition
 - o Disbursements for Board approved programs for loan, grant, and financial assistance
 - o Lease payments
 - o Contract or other payments having specific Board or CEO pre-approved payment instructions
 - o Regular/recurring expenditures having CEO pre-authorization and approval (i.e. bill pay)
- b. The Bookkeeper will document the process and anticipate the funds to be wired to the designated depository on a particular date and time.
- c. The disbursement of any funds and payment of invoices or accounts by ACH, wire transfer, or any electronic transmittal of funds in the amount of \$10,000 or more shall require an appropriate Corporate employee to provide to the Bookkeeper: (1) documentation of the payment, (2) written confirmation of the payee's authorized payment agent or employee, contact information, and authorized banking/transmittal instructions, (3) the Bookkeeper shall make a day-of-payment telephone or person-to-person communication confirming the payee's receiving payment agent or employee and re-confirming the authorized banking/transmittal instructions, and (4) day-of-payment approval of the ACH, wire transfer, or such other electronic transmittal of funds by an "authorized signer."
- d. The Bookkeeper will obtain notification from the depository confirming that the wire transfer has been completed/delivered and notification from the payee confirming receipt of the wire transfer.
- e. The Bookkeeper will document and record such notifications of wire transfer delivery and receipt, and prepare any general ledger transactions, including payments and adjusting journal entries.

f. The Bookkeeper will include electronic or wire transfers on each interim, quarterly and regular financial report.

4. **Credit Cards.**

In accordance with Corporation's Procurement Manual, Corporation employees may be authorized to use a corporate credit card to make a purchase on behalf of the Corporation to the extent such purchase would be legally allowed by the Corporation. If an employee makes or directs a purchase by credit card that is not allowable under the Corporation's Procurement Manual, nor reimbursable under the Employee Handbook, the employee shall be personally liable for the payment of the amount of such purchase. The Procurement Manual and Employee Handbook notwithstanding, all purchases on behalf of the Corporation must otherwise comply with all laws and regulations of the State of Maryland and the applicable policies of the Corporation.

II. Receipts and Deposits

A. Procedures

1. **Segregation of Duties.** No deposit or payment receipt transaction shall be handled by only one person from beginning to end.

a. The Bookkeeper or finance staff will be responsible for receiving all cash, if any, and physical payment receipts, whether by mail or in person, and shall be responsible for making all deposits.

b. An Accounting Clerk or finance staff will be responsible for preparing deposits and coding and recording the same in the general ledger accounts of the Corporation.

c. The Bookkeeper or an "authorized signer" will be responsible for verifying the prepared physical deposit documentation.

d. The Bookkeeper will be responsible for delivering the deposits to the designated depository.

e. Invoices for Corporation services shall be prepared and issued by the Bookkeeper or finance staff. An accounts receivable register will be maintained and reported to the Board as a part of the interim, quarterly and regular financial reports of the Bookkeeper.

2. **Accounting Controls.** The following common internal controls relate to all receipts:

a. All receipts including cash, checks, electronic receipts, and wire transfers will be accounted in the general ledger.

b. All cash and check receipts will be entered into the general ledger in the form of a receipt batch by the Bookkeeper or finance staff. All electronic receipts and wire transfers will be entered into the general ledger in the form of a separate receipt batch or adjusting journal entry per occurrence.

c. Each individual receipt will include the date, amount, remitter, appropriate accounting code, description of the receipt, and initials of the Corporation staff receiving the payment.

d. The receipt batch total will be reconciled and agreed to the total of all cash, check, or electronic

receipts to be deposited.

- e. All cash, if any, and physical check receipts will be deposited at least twice weekly.
- f. All deposits will be made by the Bookkeeper or their designee.
- g. A bank receipt will be attached to a copy of the deposit slip by an “authorized signer” or finance staff who will compare for accuracy.

III. **Payroll**

1. **Segregation of Duties.** No payroll payment transaction shall be handled by only one person from beginning to end.

- a. Each hourly employee shall track their work hours and complete their own time sheets and leave requests in the prescribed manner of the Employee Handbook. Salaried employees shall complete their own time sheets and leave requests as required in the Employee Handbook.
- b. The Bookkeeper shall prepare the payroll for all employees based upon the received time sheets and leave requests and submit it to the payroll processor for direct deposit.
- c. All paystubs will be emailed unless a request is made to the Corporation to provide a printed copy in a sealed envelope.
- d. The CEO or Managing Director shall review the payroll register, and the Bookkeeper will post payroll to the general ledger.
- e. The Bookkeeper will prepare all payroll-related tax withholding deposits and reports.
- f. The Bookkeeper shall prepare year-end W-2’s to employees and respond to inquiries.

2. **Accounting Controls.** The following are common internal controls that relate to payroll:

- a. Time sheets and leave requests are required to document employee hours, including overtime, and leave time.
- b. Employment records will be maintained for each employee that detail wage rates, benefits, taxes withheld, and any changes in employment status.
- c. Payroll-related taxes, including employer share, shall be withheld and paid to the appropriate government agency on a timely basis.
- d. An Employee Benefits Manual adopted by the Corporation shall dictate the accounting for vacations, holidays, sick leave and other benefits.
- e. A list of payroll payments, with appropriate taxes withheld, will be maintained in a separate payroll register.

**A RESOLUTION OF
THE BOARD OF DIRECTORS OF THE MARYLAND COMMUNITY
INVESTMENT CORPORATION**

APPROVING THE AMENDED AND RESTATED BYLAWS OF THE CORPORATION.

WHEREAS, the Board of Directors adopted Bylaws for the Corporation as of October 15, 2024;

WHEREAS, the Board of Directors, upon further operation, finds it necessary and desirable to further clarify the roles and responsibilities established in the Bylaws; and

WHEREAS, for the foregoing purposes, the Board desires to adopt Amended and Restated Bylaws of the Corporation.


NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MARYLAND COMMUNITY INVESTMENT CORPORATION, AS FOLLOWS:

Section 1. The Board of Directors hereby approves and adopts the Amended and Restated Bylaws of the Maryland Community Investment Corporation as attached as **Exhibit A**.

Section 2. Governing Law. This Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State of Maryland.

Section 3. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the Corporation.

On this 18th day of August, 2025, the foregoing Resolution was duly **ADOPTED** by the Board of Directors of the Maryland Community Investment Corporation.

By:  (SEAL)
Michael Pokorny
Chief Executive Officer

APPROVED AS TO FORM
AND SUFFICIENCY:

By: 
Assistant Attorney General

EXHIBIT A

**Amended and Restated Bylaws of the
Maryland Community Investment Corporation**

**AMENDED AND RESTATED
BYLAWS OF
MARYLAND COMMUNITY INVESTMENT CORPORATION
ADOPTED AUGUST 18, 2025**

**ARTICLE ONE
Authorizing Statute**

The Maryland Community Investment Corporation (herein “MCIC” or “Corporation”) and its activities, purposes, business, and requirements are authorized by and defined in the Economic Development Article, Section 10-1101 through 10-1123 “Subtitle 11, Maryland Community Investment Corporation,” Annotated Code of Maryland (the “Statute”). The Statute, as may be amended from time to time, is hereby incorporated herein and made a part hereof by this reference.

**ARTICLE TWO
Statutory Purposes; Business**

Section 1. Statutory Purposes. The purposes of the Corporation shall be as set forth in, and as authorized by, the Statute, including, but are not limited to: (1) do all things necessary to qualify as a qualified community development entity under the U.S. Department of the Treasury; (2) apply to be designated as a qualified development entity by the U.S. Department of the Treasury; (3) apply for allocations of new markets tax credits; (4) receive, make, and facilitate qualified equity investments and financial assistance available in low-income communities in the State of Maryland (the “State”); (5) allocate any new markets tax credits received by the Corporation to projects; (6) coordinate with other qualified community development entities in the State to help ensure that low-income communities are receiving the maximum benefit of qualified equity investments in the State; (7) make investments and financial assistance available to low-income communities in the State from the Corporation's money or from any other source; (8) build a long-term financial capacity and sustained investment in low-income communities in the State; (9) coordinate and create pathways to follow-on financing in the State; and (10) foster inclusive and diverse entrepreneurship and innovation throughout the State, which may include initiatives to raise awareness of programs to assist low-income communities. All terms used in this Section 1 shall have the meaning provided in the Statute and Section 45D of the Internal Revenue Code of 1986, as amended, (the “Code”), as applicable, and the Treasury Regulations, guidance, rules or procedures published by the U.S. Department of the Treasury’s CDFI Fund.

Section 2. Statutory Business Activities. The business activities of the Corporation shall be as set forth in, and as authorized by, the Statute, including, but are not limited to: (1) providing equity investments to qualified businesses or projects in the form of grants, loans, a tax credit allocation, or any other form of financial assistance to carry out its purposes; (2) acquire, develop, improve, manage, market, license, sublicense, maintain, lease as lessor or lessee, or operate a project in the State to carry out its purposes; and (3) acquire, directly or indirectly, from a person or political subdivision, by purchase, gift, or devise, any property, rights-of-way, franchises, easements, or other interests in land, including submerged land and riparian rights: (i) as necessary or convenient to improve or operate a project to carry out its purposes; and (ii) on the terms and at the prices that the Corporation considers reasonable.

ARTICLE THREE

Board of Directors

Section 1. General Powers. All powers of the Corporation are vested in the Board of Directors (herein “Board”) as set forth in, and authorized by, the Statute, including to: (1) adopt bylaws for the conduct of its business; (2) adopt a seal; (3) maintain offices within the State; (4) accept loans, grants, investments, or assistance of any kind from the federal or State government, a local government, a college or university, or a private source; (5) enter into contracts and other legal instruments; (6) sue or be sued; (7) acquire, purchase, hold, lease as lessee, and use:(i) a franchise, patent, or license;(ii) any real, personal, mixed, tangible, or intangible property; or(iii) an interest in the property listed in this item; (8) sell, lease as lessor, transfer, license, assign, or dispose of property or a property interest that it acquires; (9) fix and collect rates, rentals, fees, royalties, and charges for services and resources it provides or makes available; (10) create, own, control, or be a member of a corporation, limited liability company, partnership, or other entity, whether operated for profit or not for profit; (11) exercise power usually possessed by a private corporation in performing similar functions unless to do so would conflict with State law; and (12) do all things necessary or convenient to carry out the purposes, powers, and duties of the Corporation as set forth in the Statute.

Section 2. Management of the Corporation. The management and control of the affairs of the Corporation shall be administered and authorized by the Board as set forth in, and authorized by, the Statute, including to: (1) establish a system of financial accounting, controls, audits, and reports; (2) maintain accurate and detailed records of the Corporation and complying with the Public Information Act of the State; (3) maintain the fiscal year of the Corporation, which shall begin on July 1 and end on the following June 30; (4) create and administer the accounts as the Corporation may require and keep accurate records and accounts of all transactions; (5) deposit all monies of the Corporation into a State or national bank or a federally insured savings and loan association that has a total paid-in capital of at least \$1,000,000; (6) designate the trust department of a State bank, national bank, or savings and loan association as a depository to receive securities that the Corporation owns or acquires; (7) unless an agreement or covenant between the Corporation and the holders of its obligations limits classes of investments, invest money of the Corporation in bonds or other obligations of, or guaranteed as to principal and interest by, the United States, the State, or a governmental unit; and (8) maintain any income from the investment of money of the Corporation, including investment proceeds and earnings, which shall be credited to the Corporation.

Section 3. Directors. The number and qualifications of the members of the Board (the “Directors”) shall be as set forth in, and as authorized by, the Statute, and are comprised at this time as follows: (1) the Comptroller of the State or the Comptroller's designee; (2) the Secretary of the Department of Housing and Community Development of the State or the Secretary's designee; (3) the Secretary of Commerce of the State or the Secretary's designee; (4) the Secretary of Planning of the State or the Secretary's designee; (5) the Secretary of General Services of the State or the Secretary's designee; and (6) the following members appointed by the Governor with the advice and consent of the Senate: (i) one representative of nonprofit entities in the State; and (ii) one representative of low-income communities. The term of the members appointed by the Governor is four (4) years, which shall be staggered. Members of the Board shall reside in the State.

Section 4. Designees. The Statute authorizes the Comptroller and each Cabinet Secretary to appoint a designee to serve at a meeting of the Board in his or her stead. In the absence of a Director

from a meeting of the Board, his or her alternate may attend such meeting and exercise therein the rights, powers and privileges of the absent Director. Such designees shall be subject in all respects to Statute, the applicable law governing the Directors, and these Bylaws.

Section 5. Term; Appointed Member Removal. As set forth in the Statute, a Director qualified pursuant to Section 3, above, shall serve until his or her successor shall have been duly qualified to serve. Provided, however, a member of the Board who is appointed by the Governor may be removed by the Governor for incompetence, misconduct, or failure to perform the duties of the position. A successor Director shall assume office when appointed and shall begin their service as a Director at the next subsequent annual or special meeting after having become qualified to serve.

Section 6. Vacancies. If a vacancy in a Director position occurs, the position shall remain vacant until the appointment, qualification and assumption of office of a successor Director.

Section 7. Compensation of Directors. A Director may not receive compensation as a member of the Board; provided, however, that Directors are entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

Section 8. Annual Meetings. The Board shall hold an Annual Meeting of the Directors on such date, time and place as the Chairperson shall direct, or as the Board shall designate by resolution of a majority of the Directors, for the purpose of electing a Chairperson, officers of the Corporation, members to Board committees, and transacting such other business as may properly be noticed and brought before the meeting.

Section 9. Regular Board Meetings. Regular meetings of the Board shall be held at the place, date and time as the Board, the Chairperson shall direct, or the Chief Executive Officer may from time to time prescribe. Any business may be transacted at any regular meeting of the Board.

Section 10. Special Board Meetings. Other than those meetings required under State law, a special meeting of the Board may be held on such date, time and place as the Chairperson shall direct; or shall be called by the Chairperson or the Chief Executive Officer at the request in writing of at least three Directors, and shall be held at the place, date and time fixed by the person calling the special meeting. Any business may be transacted at a special meeting of the Board as may properly be noticed and brought before the meeting.

Section 11. Video and Telephone Conference Meetings. Meetings of the Board may be conducted by means of video or telephone conferencing or similar communications, electronic, or video screen system consistent with the requirements of the Maryland Open Meetings Act. Video and telephone conference may be utilized so long as each Director can participate in all matters before the Board, including the ability to propose, object, and vote upon actions before the Board.

Section 12. Quorum. As set forth in the Statute, the attendance of four (4) Directors is required to constitute a quorum in order to open and conduct a meeting of the Board.

Section 13. Voting; Majority Requirements. Each Director shall have one (1) vote on any matter brought before the Board or the transaction of business. A majority vote of the members present at a meeting having a quorum is needed for the Corporation to act.

Section 14. Chairperson. At all meetings of the Board, the Chairperson, or his or her designee in the absence of the Chairperson, will preside.

Section 15. Notice of Board Meetings. Notice of Board Meetings shall be made consistent with Maryland's Open Meetings Act requirements in such public place and time, with the posting of a meeting agenda and other materials, as are necessary to comply with those requirements. The meeting records of the Board shall be retained in accordance with the State's Public Information Act.

ARTICLE FOUR

Officers

Section 1. Election, Tenure. The officers of the Corporation shall be a Chairperson of the Board, a Secretary and a Treasurer (the "Officers"). The Officers of the Corporation shall be elected by a majority vote of the Directors. Other officers may be designated and have such duties, powers and functions as the Board may determine, from time to time.

Section 2. Removal; Resignation. An officer of the Corporation may resign from office at any time by giving written notice thereof to the Chairperson or the Secretary. All officers and employees of the Corporation shall be subject to removal at any time, with or without cause, by a majority of the Directors. All officers and employees of the Corporation shall hold office at the discretion of the Board or of the officers appointing them.

Section 3. Vacancies. If an office becomes vacant by death, resignation, removal, disqualification or other event, the vacancy may be filled by a majority vote of the Directors. The officer may be elected to serve either temporarily until the qualification of his or her successor, or until the next election of officers.

Section 4. Chairperson of the Board. As required by the Statute, the Board shall elect a Chairperson from amongst its members. The Chairperson shall preside at all meetings of the Board. In the absence of the Chairperson, his or her designee shall preside at such meetings unless the Board, by a majority vote, shall elect a chairperson other than the Chairperson's designee. The Chairperson may sign and execute all authorized bonds, contracts, resolutions of the Board, or other obligations in the name of the Corporation, and which signature authority may be further delegated, in whole or part, to a chief executive officer of the Corporation.

Section 5. Secretary. The Secretary shall give, or cause to be given, notice of all meetings of the Board, and all other notices required by law or by these Bylaws. In case of the Secretary's absence or refusal or neglect to do so, any such notice may be given by any person thereunto directed by the Chairperson, or by the Directors upon whose written request a Board meeting is called as provided in these Bylaws. The Secretary shall record, or cause to have recorded, all the proceedings of the meetings of the Directors in books provided for that purpose, and the Secretary shall perform such other duties as may be assigned by the Chairperson or the Board. The Secretary shall have custody of the seal of the Corporation, if one is adopted by the Board, and shall affix the same to all instruments requiring it, when authorized by the Chairperson or the Board, and attest the same. In general, the Secretary shall perform all the duties generally incident to the office of the Secretary.

Section 6. Treasurer. The Treasurer shall have custody, or cause custody to be had, of all the funds and securities of the Corporation and keep full and accurate account of receipts and

disbursements in books belonging to the Corporation. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation in such depository or depositories as may be designated by the Board. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements. The Treasurer shall render to the Chairperson and the Board, whenever either of them so requests, an account of all transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall perform all the duties generally incident to the office of the Treasurer.

Section 7. Chief Executive Officer. The Board of Directors may hire as an employee of the Corporation as its Chief Executive Officer (“CEO”), as set forth in, and authorized by, the Statute. The CEO shall have the general charge and control of all of the Corporation’s business affairs and properties. The duties of the CEO shall include day-to-day oversight of the administrative affairs of the Corporation, including but not limited to causing the following to be performed or observed (any of which duties may be delegated to other officers):

- (a) Maintaining Minutes of Board meetings;
- (b) Providing that notices are duly given of all meetings required by these Bylaws;
- (c) Keeping safe custody of the Corporation’s records;
- (d) Maintaining a register of the legal address of each member of the Board;
- (e) Assuring safety and utilization of the Corporation’s funds and securities in accordance with Board determinations and as required by applicable law;
- (f) Maintaining custody of books not immediately pertaining to the duties of any other officer;
- (g) Preparing and filing, or causing to be prepared and filed, such annual reports, audits, tax returns, reports required pursuant to the Statute, and as otherwise required by law;
- (h) Performing such other duties and shall have such additional authority as may, from time to time, be assigned through a resolution adopted by the Board. and
- (i) Complying with all lawful requests of the Board.

Section 8. Conflicts of Interest. The Board, the officers and employees of the Corporation, the members of the investment committee, and the members of any advisory committee appointed shall disclose to the State Ethics Commission whether they are employed by or have a financial interest in an entity that currently has or will apply for funds or an investment in a program administered by the Corporation.

Section 9. Duties of Officers may be Delegated. In the absence, disability or vacancy in office of any Officer, or for any other reason the Board or the Chairperson deems sufficient, the Board or the Chairperson may delegate the powers or duties of any such Officer to another Officer or Director for a designated period of time, except as precluded by the Statute or by law.

ARTICLE FIVE

Advisory Board and Board of Directors' Committees

Section 1. Advisory Board. As set forth in the Statute, the Board of Directors shall appoint a committee of persons to serve on the Corporation's Advisory Board by a majority vote. The Advisory Board shall assist the Board of Directors in reviewing and recommending strategic planning and program development, prioritization of projects to be undertaken in low-income communities owned or operated by entities that have their principal place of business in the State, including such other matters as the Board of Directors may from time-to-time request, and shall by majority vote refer all such matters for final action to the Board of Directors. The Advisory Board shall consist of not less than five (5) nor more than eleven (11) members. The Advisory Board shall follow such policies and procedures that the Board of Directors may adopt from time to time. Each member shall serve at the pleasure of the Board of Directors and may be removed by a majority vote. The Advisory Board and its members shall serve only in an advisory capacity and shall have no authority to bind the Corporation.

1.1. Qualifications of Advisory Board Members. As set forth in the Statute, appointees to the Advisory Board shall be members who are: (1) required for the Corporation to qualify as a qualified community development entity under 26 U.S.C. Section 45D(c)(1), (2) residents of the State, and (3) geographically representative of the location of low-income communities in the State. In order to meet the Corporation's requirement under 26 U.S.C. Section 45D(c)(1)(B), appointees may be sought who are either (a) a resident in a low-income community within the State, or (b) otherwise represent the interests of residents of low-income communities" in the State, as such may be prescribed by said Section 45D, applicable regulations or guidance issued by the U. S. Department of the Treasury or its Community Development Financial Institutions Fund.

Section 2. Committees. The Board may designate and approve one or more committees by a majority vote. Committees shall have such responsibilities and powers as designated by the Board. The Board may appoint advisory, non-voting members to any committee.

2.1. Restrictions on Committees.

2.1.1. All committees shall have appointed members of not less than three (3) Directors and no more than two (2) non-Directors having voting rights, unless specified otherwise in these Bylaws.

2.1.2. Committees shall be comprised of an odd number of voting members.

2.1.3. Non-Director members of any committee shall serve at the pleasure of the Board and may be removed by a majority vote.

2.1.4. No committee shall have authority to: (a) fill any vacancy in a committee; (b) remove any member from a committee; (c) adopt, amend or repeal any Corporate resolution or bylaw.

2.2. Investment Committee. As set forth in the Statute, the Board shall appoint members to serve on the Investment Committee to advise to the Board. The Investment Committee is a required committee and is charged to prioritize projects for the Corporation that are owned or operated by entities that have their principal place of business in the State. Members shall be geographically representative of the locations of low-income communities in the State, as required by the Statute.

2.2.1. Composition of Members. Section 2.1.1 notwithstanding, the Investment Committee shall be comprised of three (3) Director designated by the Chairperson of the Board, and two (2) to four (4) non-Director members appointed by a majority vote of the Board. The Board shall endeavor to include as members on the Investment Committee one (1) attorney who practices in Maryland

real estate transactions and finance, one (1) accountant familiar with New Market Tax Credits or community development finance practices, and members who are professionals with experience in commercial and mission-based investing in diverse markets, private business, real estate and community economic development; urban policy and program administration, government regulatory agencies; and other related fields. The Chair of the Board may appoint an alternate member to serve in the event of a committee member recusing from a particular matter due to a conflict of interest.

2.2.2. Committee Responsibilities to the Board of Directors. The Investment Committee shall advise the Board and make recommendations on:

(a) The annual preparation, review and presentation to the Board of Directors of the corporation's Investment Policies and Procedure, Investment Strategy and the Investment Standards.

(b) The Investment Policies and Investment Strategy shall prioritize projects that are owned or operated by entities that have their principal place of business in the state, and with recommendations for adoption by the Board of Directors;

(c) The Investment Committee shall review annually the Corporation's Investment Portfolio performance, including the notification and approval of changes in risk ratings on individual investments;

(d) The periodic review and recommendation to the Board for modification of Investment Committee procedures and policies and Investment Committee membership;

(e) Such other matters as referred to the Investment Committee by the Board.

2.3. Loan Committee. The Board may appoint members to a loan committee by majority vote. The Loan Committee may be authorized to act on behalf of the Board on the following:

(a) The annual and periodic review of the Loan Policies and Procedures of the Corporation for loans, grants and related financial assistance products for the review, underwriting and approval of applications and requests, and recommendation to the Board of modification;

(b) The implementation of the Loan Policies and Procedures, including loan and grant program manuals for the Corporation's programs, and for the review and recommendation to the Board of amendments or updates, if any;

(c) The review, processing, underwriting, and approval of the Corporation's loans, grants, and related financial assistance applications and requests;

(d) The review and recommendation to Board of the criteria for exceptions to any loan product standards and which are to be flagged in all loan write-ups and in the Loan Committee meeting minutes;

(e) The periodic review of the adequacy of the corporation's provision for investment losses, if any;

(f) The periodic review and recommendation for loan modifications, restructuring, or workout proposals;

(g) The Corporation's Chief Executive Officer may approve non-material changes to loan, grant, and related financial assistance applications or requests after a loan or issuance commitment has been approved or issued by the Loan Committee, but prior to closing. Material changes require reconsideration and approval by the Loan Committee. Material and non-material changes shall provided in the Loan Policies and Procedures.

2.4. Audit Committee. The Board may appoint members to an audit committee by majority vote. The Audit Committee may be authorized to act on behalf of the Board on the following:

(a) The annual solicitation, review and retention of a certified independent accounting firm of the Corporation, establish the compensation to be paid to the accounting firm and provide direct

oversight of the performance of the annual independent audit;

(b) The oversight for the annual tax returns and other financial reporting for filing by the Corporation; and

(c) The annually review and recommendation to the Board for the Corporation's Financial and Accounting Control Policy.

2.5. Governance Committee. The Board may appoint members to a governance committee by majority vote. The Governance Committee may be authorized to act on behalf of the Board on the following:

(a) The review and determination of any conflict of interest and ethical issue referrals for the Board, CEO, and employees, and/or advisement of referral to the State Ethics Commission;

(b) The review and determination in advising the CEO on the Corporation's governance principles and procedures, including, but not limited to, the review and approval of the Employee Handbook, Procurement Manual, statement of Whistleblower, anti-harassment, and other policies;

(c) The annual review and recommendation to the Board as to best practice and amendments, if any, to the Corporations policies not assigned to another committee and these Bylaws;

(d) The preparation, review and final approval of the required quarterly and annual reporting required to be filed by the Statute; and

(e) The solicitation, review and retention of an independent accounting firm to conduct the five-year independent assessment of the Corporation required by the Statute, establish the compensation to be paid to the firm and provide direct oversight of the performance of the five-year independent assessment for filing with the State.

Section 3. Quorum. Meetings of the Advisory Board, Investment Committee, and any committees, duly called and noticed, shall be opened and business transacted only when a quorum of members is present. A quorum shall be a majority of the whole of the particular board or committee, as appointed. If a quorum is not present, the gathering shall be adjourned.

Section 4. Voting. Members of boards and committees shall be entitled to one vote each. All matters before a board or committee shall be determined by a majority vote of the members present at the meeting at which a quorum is present.

Section 5. Meetings; Notice; Reports. Meetings of the Advisory Board and committees are subject to the Maryland Open Meetings Act. The Advisory Board shall have at least two meetings each fiscal year. Board and committee meetings shall be conducted in the same manner and upon the same notice as provided in Article 3, above. The Advisory Board and committees shall keep meeting minutes, reports, and provide the Board of Directors such reports or materials as requested.

Section 6. Compensation. Members of the Advisory Board and committees shall not receive compensation for their services.

ARTICLE SIX

Amendment of Bylaws and Articles of Incorporation

These Bylaws and the Articles of Incorporation may be amended, repealed, or modified by a majority vote at any annual, regular or special meeting of the Board. Notice of the proposed amendment, repeal or modification shall be included in the notice of the meeting.

ARTICLE SEVEN
Fiscal Matters

Section 1. Fiscal Year. As set forth in the Statute, Corporation's fiscal year shall begin each July 1st and end on June 30th.

Section 2. Deposits. The funds of the Corporation shall be deposited in its name with such bank(s) or trust company(ies) as required by the Statute, State law and regulation, and as the Board, or as delegated to the CEO, may from time to time designate.

Section 3. Execution of Checks, Wire Transfers and Other Instruments. The Board shall establish a Financial and Accounting Control Policy setting forth the manner and procedure for the signing and/or authorization of all Corporate checks, notes, drafts and other negotiable instruments

Section 4. Contracts. The Board may authorize in writing by resolution authority for an officer or officers, the CEO or an employee to enter into contracts or execute and deliver instruments in the name of and on behalf of the Corporation, and such authority may be general or confined to specific contracts.

Section 5. Keeping and Inspection of Records. There shall be kept, at the principal office of the Corporation, a complete set of the books and records of the Corporation. They shall include, but not be limited to, the By-Laws, minutes of meetings, and such other books, records and papers of the Corporation as the Members or the Board shall require and as required by the Maryland Public Information Act (PIA). These records shall be open to inspection by any Director within five (5) days after receipt by the Secretary of a written request for such inspection. The Corporation shall make such records available to the public to the extent and only as required pursuant to records requests under the PIA.

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CERTIFICATE OF BYLAWS

The undersigned, Chief Executive Officer of the Corporation, certifies that the foregoing Bylaws constitute the Bylaws of the Corporation as duly adopted by the Board of Directors which are effective as of August 18, 2025.

Signed by:
By: Michael Pokorny
C3C37E9F33D1463
Michael Pokorny, Chief Executive Officer

APPROVED AS TO FORM
AND SUFFICIENCY:

Signed by:
By: Dorothy Dunster
C886936320AA420
Assistant Attorney General