**Writing Organizational Bylaws**

## Article I — Name and Purpose

### Section 1

This is where you state the name of your organization, something like this:

The name of the organization is \_\_\_\_\_\_\_\_\_\_.

### Section 2

Put the purpose of your nonprofit here. Your state may require that your bylaws include the language given in the articles of incorporation describing the organization’s tax-exempt purpose. Even if it’s not required, it’s not a bad idea to include it here, as well. For example:

This corporation is organized exclusively for charitable, literary, and educational purposes, including for such purposes, the making of distributions to organizations that qualify under section 501(c)(3) of the Internal Revenue Code, or any corresponding section of any future federal tax code.

You also should add the specific purpose of your organization in this section. You may even want to elaborate a bit on your mission statement. What are you going to do, how are you going to do it, and whom are you going to do it for? But don’t get so specific that each time you add a new program you need to amend your bylaws.

## Article II — Members

### Section 1

Deal with the membership question here. We suggest that you don’t have members. If state law requires you to have members, you can restrict membership to members of the board. If this is the way you go, here’s all you need to say:

This corporation has no members.

or

Membership in the corporation will consist of elected directors.

If you do decide to have members, specify how someone becomes a member. Annual payment of membership dues is the most common method of determining membership. If you have membership, you need to have an annual meeting to which all members are invited. The meeting will probably include the election of new directors and officers, although elections can take place by mail.

Membership may be a good idea if you have a grassroots organization because it can help align your mission with governance responsibilities. However you decide to do it, specify the details in this article of the bylaws.

## Article III — Board of Directors

### Section 1

State here that the board is responsible for setting policy and governing the organization and holds the power to conduct the nonprofit’s business and to delegate that power as needed to an agent of the board, usually the executive director.

Specify the number of directors who may be elected. If you want to maintain some flexibility, you can state minimum and maximum numbers. We think that you should have no fewer than three directors, even if the law in your state requires only one. The maximum number is more difficult to specify. Some organizations do just fine with 8 to 12 directors, while some larger nonprofits have as many as 50.

For more information about boards of directors, see Chapter 6.

### Section 2

Specify the length of time that your directors will serve on the board. Although some directors, especially those serving on new nonprofits, often stay on indefinitely if they’re on the organization’s original board, we recommend that you establish term limits for board members. We like limiting board members to two terms of three years each. A good, effective member can step down for a year at the end of six years and then be reelected to the board. But nonprofits that never replenish board members tend to stagnate like old pond water.

### Section 3

This section specifies how board members will be elected. Most nonprofits have what are known as *self-perpetuating boards.* In other words, the board itself elects new members. Usually, a board committee is set up to put forward nominations for new members, and the sitting board votes to elect them to membership. A majority vote of the current directors usually is required for election.

If you decide to have members in your organization, directors should be elected by the membership.

### Section 4

This section asks you for your quorum requirements. A quorum is the minimum percentage of sitting board members who must be present in order for the board to transact business. Each state has laws setting the minimum quorum requirements for nonprofit corporations. Although you can set a quorum requirement of less than 51 percent of the directors, we recommend that you set your quorum as a majority of the directors. So, if you have 15 directors, 8 must be present to constitute a quorum.

### Section 5

How often will your board meet? It must meet at least once a year and should meet far more often than that. Quarterly meetings are sufficient for many nonprofits, while others have monthly or bimonthly meetings.

Add instructions on how a special board meeting may be called. You may want to say that the board president, the executive committee, or a certain percentage of the directors can call a special meeting.

Add a statement that board members will be notified by mail, telephone, email, or fax two weeks before every board meeting. Check to see whether your state laws require a mailed notice.

### Section 6

Use this section to describe how board members may be removed from the board. Some organizations have board meeting attendance requirements. So, for example, you may say that any director who misses three consecutive board meetings will be removed.

You also can establish other conditions under which a board member may be removed by a vote of the directors. Examples of such conditions may include breach of confidentiality, failure to disclose a conflict of interest, or failure to exercise the duties of a board member. If you do use the last example, be sure that the bylaws include a clear statement about the duties expected of each director.

### Section 7

Specify how voting will occur, or state that voting will be left to the discretion of the president. Voice votes or a show of hands are the most common ways of voting. When voting for officers of the board, you may want to call for a written ballot, although, frankly, disputed elections on a nonprofit board are very rare. Usually only one candidate is nominated for each office. Disputes can happen, however, so it’s better to be prepared.

You may also want to say that meetings will be governed by the latest edition of Robert’s Rules of Order or some other parliamentary procedure.

### Section 8

Nonprofits rarely compensate board members for service on the board, but some do. Assuming that you don’t plan to pay your board members, you can state your practice in the bylaws by adding something like this:

Directors shall not be compensated for their service except for reimbursement of reasonable expenses.

## Article IV — Officers of the Board

List the officers of your board and the terms they will serve. Typically, officers serve two- or three-year terms and are limited to two consecutive terms, although these guidelines aren’t written in stone. If you have longer terms, you may face difficulties in finding directors who are willing to assume such long-term responsibilities.

The standard officer slots are president (or chairperson), vice president, secretary, and treasurer. Some organizations may have several vice presidents, each of whom oversees a different aspect of the organization, such as fundraising, budget and finance, and programs. Some organizations also have a president-elect position. The secretary sometimes also serves as the treasurer, although that arrangement has the potential to threaten the checks and balances of the organization. Look to your state laws for specific requirements in your state.

### Section 1

Some bylaws include duties or job descriptions of the officer positions. Use your own judgment about whether to include this information, but we think it’s a good idea to do so. For example, in this section you can state that the president presides at all meetings of the board, appoints committees, and ensures that proper records are maintained and filed as necessary.

### Section 2

This section explains the responsibilities of the vice president, who usually acts as the chief board officer in the president’s absence. Some organizations have an unwritten understanding that the vice president is next in turn to assume the president’s slot.

### Section 3

Here’s where you describe the duties of the treasurer, who oversees the financial matters of the organization and ensures that monies are deposited promptly in the appropriate accounts. The treasurer often is involved in preparing the organizational budget and frequently serves as chairperson of a budget and finance committee. In small organizations, the treasurer may have the hands-on responsibility of keeping books and preparing checks.

### Section 4

In this section, you spell out the role of the secretary, the person who takes and maintains minutes of board meetings and ensures that necessary reports and filings to state and federal authorities are made in a timely matter. The secretary is the keeper of the organization’s official records. In many larger nonprofits, minutes of board meetings are recorded by a staff person and prepared for the secretary’s approval and signature.

Add other sections here to describe other officer positions if you have them.

## Article V — Board Committees

Standing or permanent committees of the board are often included in the bylaws. The usual standing committees are development or fundraising (sometimes called ways and means), finance and budget, program, and nominating. Other standing committees may include an investment committee and a grounds committee if the nonprofit owns and manages property. In small nonprofits without staff, members of these committees may carry out the duties for which the committees hold responsibility, or they may supervise volunteers who carry out those duties.

Some organizations also authorize an executive committee that may act in some circumstances on behalf of the full board. Committees customarily report to the board at its meetings and often submit motions for approval.

The role of each committee is then included in the bylaws under a section.

### Section 1

In this section, you can state that, for example, the responsibilities of the development committee include ensuring that adequate funds are available for the organization to carry out its exempt purpose. These responsibilities include working with organizational staff and other members of the board to solicit charitable gifts, carry out fundraising events, and secure foundation and corporate grants.

### Section 2

The responsibilities of the budget and finance committee often include preparing and/or approving an annual organizational budget, overseeing with the treasurer the accounting and banking functions of the organization, and arranging for a certified audit of the organization’s accounts.

### Section 3

The program committee oversees and provides advice regarding the organization’s activities that carry out its charitable purpose. The committee meets on a regular basis with program staff to obtain information about the organization’s programs and makes regular reports to the board of directors about these activities.

### Section 4

The nominating committee usually assumes the tasks of identifying candidates for election to the board and assembling a slate of officer candidates to be elected by the full board.

### Section 5

Many nonprofit organizations have a standing executive committee that’s made up of the officers of the board. The board may authorize this committee to act on behalf of the board in special circumstances. Usually, actions of the executive committee should be approved by the full board of directors at the next regular board meeting.

### Section 6

The president of the board may establish special committees to undertake designated responsibilities on an as-needed basis. Examples include committees to organize a planning effort or act on behalf of the full board in the case of merger negotiations or the purchase or sale of property.

Include additional sections to describe other standing committees if you have them.

## Article VI — Amendments to the Bylaws

### Section 1

In this section, explain the requirements for amending the bylaws. Probably the most common approach is to require a vote of two-thirds of the directors to make a change in the bylaws. So you may say something like this:

These bylaws may be amended subject to approval of a vote of two-thirds of the sitting directors.

When bylaws are amended, prepare a revised copy that contains the revisions. The copy should be dated and signed by the board president and the secretary. Usually, you don’t need to submit amended bylaws to the state agency that oversees nonprofit corporations, but it’s important to check your state law to see what’s required.

## A little more about bylaws

The information here is meant to be a general guide to the preparation of your organizational bylaws. How the bylaws are organized into articles and sections is less important than having a clear statement about the rules of your organization. For example, you can put each of the descriptions of the officers’ positions into separate articles. Your best bet is to follow the guidelines given for the state in which you’re incorporating.