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SAMPLE BYLAWS XYZ Organization

ARTICLE I

Purpose

State your general purpose in this section. (Tip: Do not reprint your mission statement – because if you change your mission statement then you need to amend the bylaws.)

ARTICLE II

Board of Directors

Section 2.1. General Powers: As steward of the public trust, the Board of Directors (“the Board”) shall be responsible for governance, the ongoing process of due diligence to assure the health and effectiveness of the corporation. The Board shall have the power to govern the affairs and property of the corporation, in keeping with policies it establishes that define the Board’s scope of authority and limitations.

Section 2.2. Number of Directors: The Board shall consist of at least XX and no more than XX members, as determined from time to time by the Board. All Directors shall have identical rights and responsibilities.

Section 2.3. Tenure: Directors shall serve a term of three (3) years from the date of their election. A full three-year term shall be considered to have been served upon the passage of three (3) annual meetings. Directors shall take office immediately following the close of the annual meeting at which they are elected. No Director shall serve more than two (2) consecutive three-year terms. Fulfilling an incomplete term is not considered part of the term limit. Directors shall serve staggered terms to balance continuity with new perspective.

Section 2.4. Board Members: Members of the Board of Directors shall adhere to all policies and procedures established by the Board.

Section 2.5. Composition of the Board of Directors: Board members shall be sought who reflect the qualifications and diversity determined by the Board in its policies.

Section 2.6. Nomination and Election: The Committee on Directorship shall present a slate of Board members for election by the Board at the annual meeting. The newly elected Board members shall take office immediately following the close of the meeting at which they are elected.

Section 2.7. Vacancies: Any vacancy occurring in the Board of Directors and any position to be filled by reason of an increase in the number of Directors may be filled, upon recommendation of a qualified candidate by the Committee on Directorship, by the affirmative vote of the majority of the

Board. A Director elected to fill the vacancy shall be elected for the unexpired term of his/her predecessor in office.

Section 2.8. Resignation: A Director may resign at any time by filing a written resignation with the President of the Board.

Section 2.9. Removal: The Board may remove any Officer or Director for cause by two-thirds (2/3) vote of all Directors then in office, at any regular or special meeting of the Board, provided that a statement of the reason or reasons shall have been mailed by Registered Mail to the Officer or Director proposed for removal at least thirty (30) days before any final action is taken by the Board. This statement shall be accompanied by a notice of the time when, and the place where, the Board is to take action on the removal. The Officer or Director shall be given an opportunity to be heard and the matter considered by the Board at the time and place mentioned in the notice.

ARTICLE III *Officers of the Board of Directors¹*

Section 3.1. Positions: There shall be four (4) elected officers of the Board of Directors: President, Vice President, Secretary, and Treasurer. The roles and qualifications of these Officers shall be determined by the Board in its policies.

Section 3.2. Nomination and Election: The Governance Committee shall present a slate of Officers to the Board of Directors. The nominated Officers shall be drawn from among the members of the Board of Directors. The election of Officers shall be held at the annual meeting of the Board, immediately following the election of the Board members. The newly elected Officers shall take office immediately following the close of the meeting at which they are elected and the term of office shall be one year.

Section 3.3. Tenure: The term for each Officer shall be the one-year period commencing with the date of the annual meeting of the Board of Directors. No single individual may be elected for more than 4 consecutive one-year terms in any single office.

Section 3.4. Immediate Past President [or Chair]: In the event that the term limit of the individual who is Immediate Past President shall have expired, the Board of Directors shall have the authority to retain this individual on the Board, in the position of Immediate Past President, until such a time as another individual holds said office.

¹ Some organizations use the terms “Chair” and “Vice Chair” instead of “President” and “Vice President.” Some organizations also include the position of Immediate Past President or Immediate Past Chair. Some organizations have both a Chair, the volunteer leader of the board – and a President/CEO, the chief executive – hired – of the corporation. Oftentimes, the President/CEO is a voting board member, by virtue of position. However, the President/CEO is not the chair of the board. The President / CEO would not be an elected officer and so section 3.3 below would not apply.

I recommend use of “chair” and “vice chair” for officers because of possible confusion regarding “president” as the paid staff leader. And by the way, the volunteer leader of the board is not the chief executive officer. The chief executive officer is the paid staff person, no matter his/her title.

Section 3.5 Presidential Succession: In cases of temporary absence, the succession shall be Vice President, Treasurer, and then Secretary. In the event that the elected President is unable to fulfill his/her term, the Vice President shall become President. The Vice President position shall not automatically succeed to the president. Any individual Board member shall be a candidate for President.

ARTICLE IV *Meetings of the Board of Directors*

Section 4.1. Regular and Annual Meeting: The Board shall meet at least six (6) times per year, one of which shall be the annual meeting, held in XXXX of each year. Notice shall be given to each Director at least fifteen (15) days prior to the date of every regular meeting of the Board. Stipulation of the annual Board calendar shall fulfill the requirement for notice.

Section 4.2. Special Meetings: Special meetings of the Board of Directors may be called by the President or by a majority of the Board filing a written request for such a meeting with the President and stating the object, date, and hour therefore. Due notice of special meetings shall be given seven (7) days prior to such a meeting.

Section 4.3. Quorum²: One-half plus one (1) of the Directors then in office shall constitute a quorum for the transaction of business at any regular or special meeting of the Board of Directors, except where otherwise required by these Bylaws. Voting is by majority unless otherwise specified in these Bylaws. [Consider carefully the quorum number you will set. $\frac{1}{2} + 1$ may not be good enough, even for regular meetings. Consider a larger number even for regular decision-making, e.g., two-thirds or three-fourths. See the footnote below.]

Section 4.4 Meeting Format: The Board shall select its own meeting format in any method allowed by the laws of the state of XXXX. Any such meeting, whether regular or special, complying with Sections 4.1 or 4.2 shall constitute a meeting of the Board of Directors and shall subscribe to the policies, procedures, and rules adopted by the Board.

Section 4.5. Meeting Notice: Notice of all regular and special meetings of the Board, an agenda of all items to be discussed at such meetings, and agenda support materials shall be circulated to all Directors prior to the meeting. Any Director may waive notice of any meeting. The attendance of a Director at any meeting also shall constitute a waiver of notice of such meeting, except where a Director

² *Quorum* means the number of people required to make a decision. A typical quorum is one more than half. However, think carefully – because ultimately this means that 25% of the board members can make decisions for the entire board. Is that what you want? I don't.

Consider this scenario presented by my colleague Chuck Loring, CFRE: You have 20 board members and your quorum is one over half – which means that 11 board members constitutes a quorum for decision-making. Let's say only 11 members attend the board meeting, your quorum. The board votes 6 to 5 on a decision, the majority prevailing. That means that 6 out of 20 board members decided something on behalf of the full board. That's not many. Frankly, I don't want 25% of the board making governance decisions for the corporation. That's just not good enough.

By the way, you can meet and talk without a quorum. So what's the attendance at your board meetings? Do you have trouble achieving a quorum? You'd better figure out why. And rest assured, it's not because of board size. You won't fix attendance problems by changing board size.

attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 4.6. Action: Any action required by the Board of Directors may be taken without a meeting, if all Directors receive notice of said proposed action in writing or by electronic transmission, and a majority of Directors consent thereto in writing or by electronic transmission. Response to the information shall constitute a waiver of notice requirements. The writing(s) or electronic transmission(s) shall be filed with the minutes of proceedings of the Board and maintained in the official files. The quorum requirement for any such action shall be as stated in Section 4.3.

[Tip: Check the laws and regulations in your jurisdiction to make sure this is legal. For example, in the District of Columbia and in RI, voting without a meeting requires unanimity. Version of Section 4.6 for Rhode Island: Any action required by the Board of Directors may be taken without a meeting, if all Directors receive notice of said proposed action in writing or by electronic transmission, and all Directors consent thereto in writing. Response to the information shall constitute a waiver of notice requirements. The responses shall be filed with the minutes of proceedings of the Board and maintained in the official files.]

Section 4.7. Proxy and Alternates: Voting by Directors by proxies shall not be permitted. An absentee Board member may not designate an alternate to represent him or her at a Board meeting.

ARTICLE V *Staff*

The Board of Directors shall have the discretion to appoint a chief staff person, who shall be responsible for carrying out the work of the XYZ Organization in accordance with the policies established from time to time by the Board of Directors.

ARTICLE VI *Committees³*

Section 6.1. Establishment and Operation of Committees: The Board of Directors shall establish such committees and task forces as advisable to assist with governance, without compromising the Board's authority and in keeping with the policies established by the Board. [Some organizations choose this approach.]

[Optional clause] Section 6.2. Standing Committees: Standing Committees of the Board of Directors shall be: Committee on Directorship, Finance Committee, and Fund Development Committee. These committees shall operate in accordance with the roles and policies established by the Board. The President, in consultation with the chief staff person, shall appoint committee chairs.

³ Some organizations decide not to have any standing committees – except the Governance Committee – preferring instead to establish committees as necessary. The Governance Committee is another name for the typical nominating committee, but with an expanded scope of work. Sometimes this committee is called Board Development or Committee on Directorship / Trusteeship.

You won't see any reference to an executive committee in my bylaws. I'm on a worldwide mission to destroy them all.

[Some organizations choose to establish a few standing committees. I prefer not to mention any committees other than the committee charged with the elections process. And that is mentioned within the election article of the bylaws.]

ARTICLE VII
Fiscal Year

The fiscal year of the organization shall begin on July 1 and terminate on June 30.

ARTICLE VIII
Rules of Order

The rules of order in the current edition of Robert's Rules of Order shall govern the conduct of all meetings of the XYZ Organization except where they may be in conflict with the Articles of Incorporation, these Bylaws, or other policies adopted by the Board of Directors.

ARTICLE X
Indemnification

The XYZ Organization shall indemnify its Directors, Officers, employees, and volunteers to the fullest extent permitted by the law of the state of XXX.

ARTICLE XI
Amendments

These Bylaws may be amended at a regular meeting by a two-thirds vote of all Directors then in office, provided that notice of the proposed amendment, together with a copy thereof, shall be distributed to each Director at least fifteen (15) days prior to the meeting at which the amendment is to be considered.

ARTICLE XII
Dissolution

In the event of the dissolution of the XYZ Organization, and after the payment of all debt and return of charitable contributions as appropriate, all assets shall be distributed to an IRS 501c organization, selected by the Board of Directors, and reflective of the XYZ Organization's mission.]

Developed by Simone P. Joyaux, ACFRE, with assistance of legal counsel. But this document does not constitute legal advice! Make sure you have a lawyer in your state / province review your final draft. 05-05.