

Example Bylaws - for Organizations WITHOUT Members

Electronic example of bylaws for organizations without members can be found at www.minnesotanonprofits.org/templates-examples.

This sample is provided as a guideline only. Your organization must consider how it would like to be governed and what rules apply best to its situation. All language is provided as a sample. The language in bold font is suggested as an example but is not necessarily appropriate for every nonprofit.

Some states require Inc., Incorporated, etc. as part of the organization's name (Minnesota does not). If you are doing business in states other than Minnesota, please check with the Secretary of State offices in those states regarding this potential requirement.

Article I must be included. For organizations not incorporated, state that the nonprofit is organized in compliance with the laws of Minnesota.

The purpose statement must maintain the standards stated in IRS Publication 557 and give a brief description of the organization's goals to ensure approval of Federal tax exemptions.

Minnesota law requires a minimum of three directors. The statutory limit for a board term is ten years.

A board of directors must meet at least once during each fiscal year.

The following bylaws are intended only as a model. They show some of the most general ways of writing bylaws. An organization has a great deal of latitude in shaping its bylaws, and does not need to follow this model. Keep in mind that the organization can and should amend its bylaws as often as necessary to keep up with changes to the organization. Organizations are free to reproduce all, or parts of the samples provided in this section.

Please note: Organizations with voting members should see the sample titled "Example Bylaws - for Organizations WITH Members" on pages 33-35.

BYLAWS OF [NONPROFIT ABC]

ARTICLE I — NAME AND PURPOSE

Section 1: Name: The name of the organization shall be **[NONPROFIT ABC]**. It shall be a nonprofit organization incorporated under the laws of the State of Minnesota.

Section 2: Purpose: **[NONPROFIT ABC]** is organized exclusively for charitable, scientific and education purposes.

The purpose of this corporation is:

- **to support and conduct non-partisan research, education, and informational activities to increase public awareness of juvenile delinquency;**
- **to combat crime within neighborhoods; and**
- **to prevent community deterioration.**

ARTICLE II — MEMBERSHIP

Section 1 – Membership: Membership shall consist of the board of directors.

ARTICLE III — BOARD OF DIRECTORS

Section 1 - *Board role, size and compensation:* The board is responsible for overall policy and direction of the association, and delegates responsibility of day-to-day operations to the staff and committees. **The board shall have up to 18, but not fewer than 12 members.** The board receives no compensation other than reimbursement for reasonable and documented expenses.

Section 2 - *Terms:* All board members shall serve **three-year terms**, and are eligible for re-election for up to **three consecutive terms**.

Section 3 - *Meetings and notice:* The board shall meet **at least quarterly**, at an agreed upon time and place. An official board meeting requires that each board member have written notice at least **three weeks** in advance.

Section 4 - *Board elections:* During the last quarter of each fiscal year of the corporation, the board of directors shall elect directors to replace those whose terms will expire at the end of the fiscal year. This election shall take place during a regular meeting of the directors, called in accordance with the provisions of these bylaws.

Section 5 - *Election procedures:* New directors shall be elected by a majority of directors present at such a meeting, provided there is a quorum present. Directors so elected shall serve a term beginning on the first day of the next fiscal year.

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Section 6 - *Quorum*: A quorum must be attended by at least **fifty percent** of board members for business transactions to take place and motions to pass.

Section 7 - *Officers and Duties*: There shall be **four officers** of the board, consisting of a chair, **vice-chair**, **secretary** and treasurer. Their duties are as follows:

The chair shall convene regularly scheduled board meetings, shall preside or arrange for other members of the Executive Committee to preside at each meeting in the following order: vice-chair, secretary, treasurer.

The vice-chair shall chair committees on special subjects as designated by the board.

The secretary shall be responsible for keeping records of board actions, including overseeing the taking of minutes at all board meetings, sending out meeting announcements, distributing copies of minutes and the agenda to each board member, and assuring that corporate records are maintained.

The treasurer shall make a report at each board meeting. The treasurer shall chair the finance committee, assist in the preparation of the annual budget, help develop fundraising plans, make financial information available to board members and the public and ensure that appropriate financial records are maintained.

Section 8 - *Vacancies*: When a vacancy on the board exists mid-term, the secretary must receive nominations for new members from present board members **three weeks** in advance of a board meeting. These nominations shall be sent out to board members with the regular board meeting announcement, to be voted upon at the next board meeting. These vacancies will be filled only to the end of the particular board member's term.

Section 9 - *Resignation, termination and absences*: Resignation from the board must be in writing and received by the secretary. A board member shall be terminated from the board due to excess absences, **more than two unexcused absences** from board meetings in a year. A board member may be removed for other reasons by a **three-fourths** vote of the remaining directors.

Section 10 - *Special meetings*: Special meetings of the board shall be called upon the request of the chair, or **one-third** of the board. Notices of special meetings shall be sent out by the secretary to each board member at least **three weeks** in advance.

Section 11 - *Remote communication for meetings*: Any meeting of directors may be conducted solely by one or more means of remote communication through which all directors may participate in the meeting, if notice of the meeting is given as described in Section 3 and if the number participating is sufficient to constitute a quorum as described in Section 6. Remote communication includes but is not limited to telephone, video, the Internet, or such other means by which persons may communicate with each other on a substantially simultaneous basis. Participation in a meeting by any of the above-mentioned means constitutes attendance at a meeting.

Section 12 - *Action without a meeting*: Upon initiative of the board chair or Executive Committee, an action that may be taken at a regular or special meeting may be taken without a meeting if the secretary mails or electronically delivers a ballot to every director entitled to vote on the action. The ballot must set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by ballot is valid only if the number of votes cast by ballot equals or exceeds the number of votes that would be required to approve the action at a meeting.

Minnesota law requires a quorum of directors, for the purpose of conducting transactions, to consist of at least one-third of the directors currently holding office.

According to Minnesota law, a board must consist of at least a chair/president and a treasurer. Other offices can be created as needed.

Every organization may determine how to utilize remote communication and electronic voting to best meet its needs and to still allow for a cohesive board of directors.

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Committees are assigned by the board of directors to work on specific issues facing the organization.

Standing committees, such as an Executive Committee or Finance Committee, should be outlined in the bylaws, whereas ad hoc committees can be created for a time period set by the board of directors.

Many nonprofits create a standing committee, Board Nominating Committee, responsible for vetting board candidates, developing slates of candidates for elections and recommending officers for election by the full board. The Nominating Committee may include the executive director as a non-voting member.

Though not required, it is highly recommended that the executive director be required to attend all board meetings. This will ensure the executive director is aware of all board discussions and the board is aware of the executive's activities.

It is necessary for the bylaws to detail how they are to be amended. Because the bylaws are more detailed than the articles of incorporation, they should be updated and changed in accordance with the organization's growth and change. Membership organizations may involve their members in the amendment procedures.

A copy of the original articles and bylaws should be filed for the organization's records.

ARTICLE IV — COMMITTEES

Section 1 - *Committee formation*: The board may create ad hoc committees as needed, such as fundraising, housing, public relations, data collection, etc. The board chair appoints all committee chairs.

Section 2 - *Executive Committee*: The four officers serve as the members of the Executive Committee. Except for the power to amend the Articles of Incorporation and bylaws, the Executive Committee shall have all the powers and authority of the board of directors in the intervals between meetings of the board of directors, and is subject to the direction and control of the full board. A quorum of the Executive Committee shall be **75 percent** of the officers.

Section 3 - *Finance Committee*: The treasurer is the chair of the Finance Committee, which includes three other board members. The Finance Committee is responsible for developing and reviewing fiscal procedures, fundraising plans, and the annual budget with staff and other board members. The board must approve the budget and all expenditures must be within budget. Any major change in the budget must be approved by the board or the Executive Committee. The fiscal year shall be the **calendar year**. Annual reports are required to be submitted to the board showing income, expenditures, and pending income. The financial records of the organization are public information and shall be made available to the membership, board members, and the public.

ARTICLE V — DIRECTOR AND STAFF

Section 1 - *Executive Director*: The executive director is hired by the board. The executive director has day-to-day responsibilities for the organization, including carrying out the organization's goals and policies. The executive director will attend all board meetings, report on the progress of the organization, answer questions of the board members and carry out the duties described in the job description. The board can designate other duties as necessary.

ARTICLE VI – AMENDMENTS

Section 1 - *Amendments*: These bylaws may be amended when necessary by **two-thirds majority** of the full board of directors. Proposed amendments must be submitted to the secretary to be sent out with regular board announcements.

Certification

These bylaws were approved at a meeting of the board of directors by a two-thirds majority vote on **[MONTH/DAY/YEAR]**

Secretary _____ Date _____