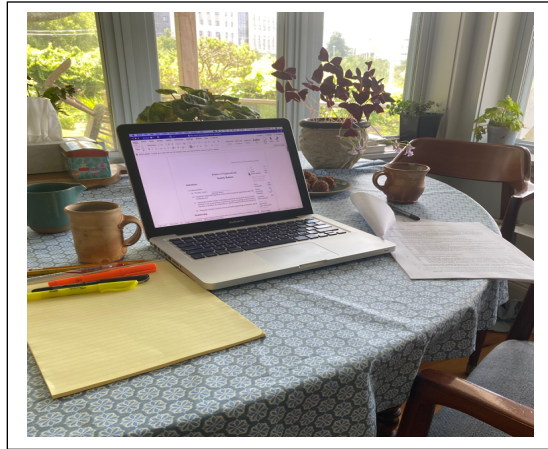




# DIY Guide to Updating Your Bylaws

By E. Grant MacDonald



Non-profits are governed, in part at least, by their bylaws. These are normally a requirement of being legally incorporated. Bylaws outline the basic structure of one's organization in terms of membership, who is entitled to vote, and the composition and responsibility of the board of directors. Usually, a set of bylaws will be 5 or 6 pages in length and contain about 50 numbered paragraphs or articles.

One's bylaws may need to be revised, once and awhile, to better align them with one's current governing practices or to adopt some new elements better suited to interests of the mission and the community. Also, there may be bylaw items that need to be clarified.

For most non-profits, updating one's bylaws can seem daunting because the language is a bit legalistic. Moreover, the people who created them are no longer on the scene to explain. **However, the job of updating bylaws is relatively easy and requires no special expertise.**

Most know that bylaw changes need to be approved by a special resolution passed by the membership, typically done at an Annual General Meeting.

Although the task of updating them is one of the responsibilities of the board, **it is often easier if the initial review and redrafting is assigned to a single board member or a committee of two.** Since it is likely that only a few changes are needed a couple of hours of work may be all that is required. The work could involve two board-level conversations with those tasked with the job: one to get some initial suggestion for change, a second to look at the proposed revisions.

Here is what you will need:

- A hard copy or two of the existing bylaws
- An electronic copy of the existing bylaws
- An electronic copy of the version to be edited (your newly named working draft)
- A couple of pencils or pens and maybe a note pad

It is important to keep in mind that non-profit bylaws are usually very similar from one organization to another. It may be wise not to stray too far from the model you have in terms of its main elements or length. Organizations with old bylaws that could need a lot of work might want to consider starting with a modern template and adapting it rather than trying to work with the original.

**It important to remember that Board approved policies rather than bylaws are often a better vehicle for identifying many important organizational practices including matters relevant to the board itself such as officer position descriptions. Take a minimalist stance to your bylaws if possible.**

If your bylaws are old, the grammar may be antiquated. Some bylaws contain an article that indicates that the chair cannot vote except to break a tie. There is no reason for the chair to be denied a vote. Some bylaws suggest that the chair or president possesses real authority when ideally the whole board is the responsible body. The chair serves the board.

Typically revising one's bylaws does not mean that every article need attention. If the meaning is clear and intent sensible, it is probably wise to leave it alone. So, what are the key elements of most non-profit bylaws, the sections, paragraphs or "articles", that may need some revisions?

## Membership

The articles on membership are arguably the most important. Your membership is the group to which the organization is legally accountable. The members are those that can vote at an annual general meeting. The key elements here are:

- Who can be a member?
- Are there any criteria?
- Is there an application form or fee involved in joining as a member?
- Is membership taken out annually or is it for a longer period?
- Does the organization maintain a list of members?
- Under what circumstances does membership cease?

One's membership structure can be simple or complex. Some non-profits operate with just a few members, others seek to have a larger number. Some non-profits have different categories of memberships. Depending on your membership structure there may be ongoing work involved if applications and members lists are maintained.

## Members meetings

There are typically 4 or 5 articles in one's bylaws outlining membership meetings. There can be several kinds of members' meeting including the annual general meeting or AGM.

The key matters here are:

- How much meeting notice is required and how is it conveyed?
- Who can call a members' meeting and what is required to call a meeting other than the required AGM?
- What is the quorum or minimum number of members that must be present to conduct any business?

Some bylaws indicate what the normal business of an annual general meeting must include. A financial report is of course one, the election of the board is another. One sees, more and more, an article that allows a members' meetings to involve virtual as well as in-person participation.

In terms of how many members constitute a quorum, specifying a number rather than a percentage is the best practice here.

### **Election of the board**

Most bylaws specify how many board members or directors there ought to be. Ideally one's bylaws specify a minimum and maximum rather than a fixed number. It is common for the board to be made up of between 8 and 12 directors.

More and more non-profits have moved away from having director candidates volunteer and be nominated "from the floor" of the AGM. A better practice is to recruit your board ahead of time and propose a slate at the AGM. This allows for there to be an application process that seeks to populate the board with group with certain skills and experience.

Most bylaws specify that the board is elected by the members, but the officers of board are determined by the board itself. Some though maintain the practice of having the officers nominated and elected at the AGM.

In the event of a board member resignation most bylaws enable a new member to be appointed by the Board of Directors between AGMs for the unexpired portion of the term.

### **Board meetings**

Board meetings are different than members' meeting. They are more like business meetings. One's bylaws ought to indicate the **minimum** number of board or directors' meetings that must be held yearly. Virtual and in-person attendance may also be provided for in the bylaws.

There must be an article specifying what quorum of directors is required for the board to conduct any business. Fifty percent plus one is common, and this normally applies to the number of serving directors not the number of board positions.

## Board Officers

The board's officers almost always are the following:

- Chair
- Vice-chair
- Treasurer
- Secretary

Some organizations utilize co-chairs, and some designate the past chair as an officer. Some bylaws also provide for the offices of the secretary and treasurer to be a combined. Older bylaws occasionally employ the terms “president and vice president” instead of chair and vice chair. The term chair may be the more modern one.

## Committees

Bylaws seldom specify what specific board committees are to set up. The relevant bylaw article normally empowers the board to establish whatever committees it feels are required to assist it in its work and to determine their terms of reference.

## Management

Bylaws seldom say much about the management of one's non-profit. The wording of an article here might read as follows:

*The responsibility for the management of the activities of the Association shall rest with the directors who may exercise the powers needed to achieve its purposes. The directors may engage a manager and determine the person's title, duties, responsibilities, and remuneration. They may as well establish polices to guide the management of the Association.*

## Other elements

Most bylaws have an article on director/board member conflicts of Interest. Some indicate under what circumstances a board member must step down (e.g., missed meetings). Board member terms may be specified in the bylaws or in policy. Many state that directors serve without remuneration but may be compensated for expenses associated with their board service.

## Some final words

There is seldom a need to make your bylaws more complicated. However, if your non-profit's governance structure is unique you may want to consult others for advice. Do not hesitate to look to sister organizations for examples of wording.