

Sample of Nonprofit Bylaws

Article I. Name of Organization

This can be a simple, one-sentence statement, such as, "The name of the organization is _____."

Article II. Purpose

The purpose section is the one exception to the rule for using specific language. Nearly all nonprofits copy the wording under Section 1 below word for word.

Section 1. Nonprofit Purpose

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

Section 2. Specific Purpose

Write a short section about the organization's purpose and the duties in which the organization will participate. Keep the wording broad so as not to limit future activities.

Article III. Membership

Nonprofits can limit their members to the board of directors. When they choose to open up membership to the public, they should outline some parameters for the following: membership eligibility, dues, members' rights, resignation, termination and non-voting membership.

Article IV. Meetings

This section specifies how often the board will have regular meetings and affirms that they'll hold an annual meeting. It should also spell out any requirements for holding special meetings. This section includes information on how and when to provide notice of meetings, what constitutes a quorum, and the voting requirements and percentages needed to pass a motion.

Article V. Board

The section for boards is typically one of the longer sections. It outlines the general powers of the board. It should also include information about the number, tenure, requirements and qualifications for board members. This section should also include information about actions that lead to board directors being asked to forfeit their positions and how to fill planned or unexpected vacancies on the board. Nonprofit board members don't receive compensation for their service. It's common for bylaws to state this fact so that it can't be assumed.

State laws outline certain criteria for what constitutes board action and how they define a meeting. Bylaws may outline certain actions that the board may make informally and under what circumstances they may do so. This includes taking votes by teleconference, videoconference and electronic mail.

Nonprofit bylaws may also offer a statement about the expectations of board members and others with regard to confidentiality. State laws don't require wording about confidentiality, but most nonprofits choose to include it because it falls under good governance practices.

The board section may include a section about an advisory board or council, and what their duties, responsibilities and expectations are, as well as the procedures for removing them from the advisory board. Meetings need to have order. The bylaws typically include a statement under boards that specifies that the board will use Robert's Rules of Order to conduct meetings.

Article VI. Officers

The bylaws should also outline the officer positions, along with their duties, responsibilities and expectations for them. Nonprofit boards typically elect a President, Vice President, Secretary and Treasurer. This section also states how boards should remove officers and fill their vacancies.

Article VII. Committees

The section on committees should include information on how to form committees and outline which committees the board has, along with their charter and duties. Most nonprofit organizations begin with an executive committee, finance committee, audit committee and fundraising committee.

Article VIII. Conflict of Interest

It's considered good ethics for nonprofits to avoid potential conflicts of interest. Bylaws should include a section on the purpose and definition of a conflict of interest. This section should also include how the board will record any related proceedings, how they'll document conflicts of interest and when to bring in

outside experts. This section is important because not properly managing conflicts of interest could lead to legal issues or even dissolution.

Article IX. Indemnification

This section usually contains language that demonstrates how the organizations will defend board directors who make decisions in the course of their board duties. Statements may include how the organization will handle insurance and legal fees.

Article X. Books and Records

The section under books and records is usually a fairly simple, straightforward statement that the board will keep complete books and records of accounts and meeting minutes.

Article XI. Amendments

As the nonprofit grows and evolves, the articles of incorporation or bylaws may become outdated. The bylaws should include a paragraph for each that outlines how the board can amend the articles and the bylaws.

Article XII. Adoption of Bylaws

Many nonprofits use a similar boilerplate for the section on adopting the bylaws. It's a simple statement that says that the undersigned are initial directors or incorporators of the nonprofit and they consent to and adopt the bylaws. Incorporators sign their names and date the bylaws.

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