



**PLAY THE BYLAWS
& BEST PRACTICES
GAME**

True or False

1. The Articles of Incorporation/ Charter/ Constitution is the document of rules and regulations enacted by an association or a corporation to provide a framework for its operation and management

Bylaws



FALSE

- Business document that describe the official rules and regulations enacted for the organization to provide a framework for its operation and management.
 - Prepared at the time of incorporation, along with the Articles of Inc./Charter
 - Keep your bylaws flexible
 - Reserve the details for policies, not bylaws
- Note – Understand your state's nonprofit corporation law**

Incorporation

- Incorporation is the process by which an organization receives a state charter, allowing it to become a corporation.
- A Charter, Constitution, or Articles of Incorporation is the document, filed with a U.S. State by an organization's founders.
- Describes the Purpose, Place of Business, and other details of the organization.

True or False

2. If the method for amending bylaws is not included in the Bylaws, the board of directors may determine how to amend the bylaws.



FALSE

- **Bylaws should include a section for amendment, otherwise it should include a section on parliamentary authority to address areas not covered in the bylaws.**
- ***Roberts rules of order newly revised* is generally cited as the parliamentary authority in bylaws. Robert's Rules of Order Newly Revised (12th ed.)**

Meetings True or False

3. Can board meetings be held by conference telephone call or by e-meeting methods?

TRUE

- Board meetings may be held by conference telephone call or by e-meetings **only if your bylaws specifically authorize** you to do so and state law allows. If they do, such meetings must be conducted as long as:
 - All members participating must be able to hear each other at the same time
 - Rules must be adopted to specify the equipment required to participate, as well as methods for seeking recognition, obtaining the floor, submitting motions in writing, determining the presence of a quorum, and taking and verifying votes.

Meetings True or False

4. Once a quorum has been established, it continues to exist no matter how many members leave during the course of the meeting?

FALSE


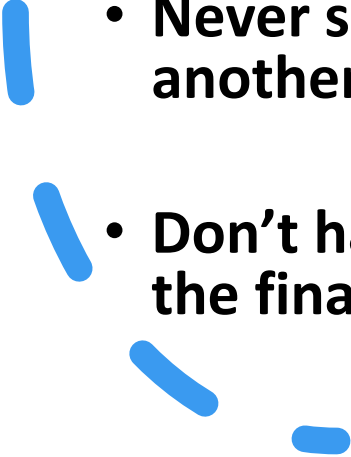
- **Once a quorum at a meeting has been established, it is presumed to exist until the Chair declares a quorum is no longer present. The Chair should declare this fact, before taking any vote or stating the question on any new motion.**
- **Any other member noticing the absence of a quorum can and should make a Point of Order to that effect.**
- **If there is clear proof no quorum was present when business was transacted, the presiding officer can rule that business invalid (subject to appeal). It is dangerous to allow the transaction of substantive business to continue in the absence of a quorum.**

Meetings True or False

5. If our board meets quarterly, it is appropriate to produce a quarterly finance report for the meeting.

False

- **The treasurer should prepare a financial report monthly for the board of directors . If activity is reported every month, it is less likely there will be any surprises.**
- **Robert's Rules of Order recommends a monthly report showing the balance at the beginning of the month, plus receipts (cash in), and less disbursements (checks out), with the ending balance at the bottom.**
- **Always require receipts for reimbursement for board members.**
- **Have an annual review or audit.**

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- **Requiring two officers to sign every check ensures that two leaders know—and accept the responsibility for—how the money is being spent without taking unnecessary risk.**
 - **Alternatively, the board might set a policy that permits one signature for small checks below a certain amount, in order to help discourage checks from being signed in advance.**
 - **Never sign a blank check in advance, and never ask another officer to do so.**
 - **Don't have the same person that collects the mail prepare the financial report.**
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Voting True or False

6. Can our board use an email to vote on issues between meetings?

TRUE

- For an e-mail message to be part of a meeting, it must be sent to all members.
- For a ballot vote to be valid, a quorum of ballots must be returned, (at least 50% + 1), as it is harder to know who is following an e-mail meeting than who is attending a face-to-face meeting.
- Equipment malfunctions may interfere with reading, writing, or delivering e-mail requires the chair to recess or adjourn the meeting without a vote.
- The simplest kind of vote is the **consensus vote**. The ballot specifies that only nay votes need be returned. No nay votes means the measure is approved, so **no vote quorum** applies.

Check your state rules



- To conduct an e-mail vote, a ballot is sent to the voting membership stating exactly what is to be voted on and containing at the beginning a clearly designated place for the member to mark a vote. The subject line (or equivalent) should contain the term "ballot."

- If a vote is to be counted, the ballot should clearly designate the choices. Examples:

I vote _____ (fill in "yes," "no," or leave blank).

I vote for _____ (fill in "Jones," etc., or leave blank).

- In a **verbose public vote**, each voter e-mails a completed ballot to all members. In a **terse public vote**, completed ballots are returned to the sender. Voting may be conducted by the Chair, Secretary, or Nominations Chair. A report is then produced with the result.

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Voting True or False

**7. Can our organization
generally collect and count
proxy votes?**

FALSE

Proxy voting is not ordinarily permitted unless federal, state, or other laws applicable to that organization require it, or the bylaws of the organization authorize it.

Proxy voting is incompatible with the fundamental principle of parliamentary law.

As a consequence, the answers to any questions concerning the correct use of proxies, such as duration transferability etc., must be found in the provisions of the law or bylaws which require or authorize their use.

Check your state rules

State Non-Profit Association

Voting True or False

8. Can ex-officio members vote, and are they counted in determining whether a quorum is present?

TRUE

“Ex officio” means “by virtue of office or position.” Without exception, ex-officio members of boards and committees have exactly the same rights and privileges as do all other members, including the right to vote. There are two instances in which they are not counted in determining a quorum:

- 1. In the case of the president, when the president is an ex-officio member of all committees;**
- 2. When the ex-officio member is neither an officer of the board or committee nor a member or elected or appointed officer of the society.**

- **Ex officio Non-Voting
Alternatives Terms**

- **Advisor**
- **Consultant**
- **Expert**
- **Mentor**
- **Friend of Crime Stoppers**



Voting True or False

9. The role of the organization's president during a board meeting is to serve as the facilitator of the meeting and can vote only to break a tie?

FALSE

The role of the president is defined in the bylaws. If the president is a member of the voting body, they have exactly the same rights and privileges as all other members, including the right to make motions, speak in debate, and to vote on all questions.

In small board meetings (not more than about a dozen board members), and in committee meetings, the presiding officer may exercise these rights and privileges fully.

In large meetings the Chair should refrain from making motions, debating, or voting except (i) when the vote is by ballot, or (ii) whenever his or her vote will affect the result (positive or negative).

Voting True or False

**10. Can we get rid of
officers we don't like
before their term is up?**



FALSE

If the bylaws just state a fixed term for the officer, such as “two years,” or if they say the officer serves for a specified term “*and until a successor is elected*” (or words to that effect), then the group must use formal disciplinary proceedings undertaken only after careful review of RONR.

TRUE

On the other hand, if the bylaws state a term of office but add “**or** until [the officer's] successor is elected,” or other wording explicitly indicating that the officer may be removed before the term expires, then the officer can be removed by a two-thirds vote, by a majority vote when previous notice has been given, or by a vote of the majority of the entire membership. A successor may then be elected for the remainder of the term.

If the bylaws themselves establish a procedure for removal from office, that procedure must be followed.

Voting True or False

11. Must debate on a motion stop immediately as soon as any member calls the question?

FALSE

- It is a common misconception that, after debate has continued for some time, if any member shouts out “Question!” or “I call the question!” debate must immediately cease and the chair must put the pending question to a vote. This is simply not the case. Any member who wishes to force an end to debate must be recognized by the chair, and then must **move the *Previous Question***. Such a motion must be seconded, and then adopted by a two-thirds vote, or unanimous consent.

- It is not in order to interrupt a speaker with cries of “Question” or “Call the Question,” even if no one is speaking.


Voting True or False


**12. Can voting be done by
the board of directors
while in executive session?**



TRUE

Votes can be taken in executive session. Proceedings in an executive session are secret but are not restricted in any other way.





Policies and Procedures True or False

**13. Policies and
Procedures are the official
rules adopted that shape
the organization**

False

Policies and
Procedures

Policies are a set of instructions that guide the actions and decisions of an organization and enforce the rules.

Procedures are the specific methods/processes and details used to enact the policies.

Who – What –When – Where

Policies and Procedures

True or False

14. It is not necessary for non-profit organization board members to sign a conflict-of-interest statement, especially small non-profits.

FALSE

- Board members in both for-profit and non-profit organizations must accept responsibility to prevent bias and conflicts of interest in their decision making.
- The Board has a responsibility for maintaining objectivity.
- Conflict of Interest policies can be very detailed reflecting state and local laws financial interests, gifts, gratuities and favors, nepotism, and other areas such as political participation and bribery.
- These rules must also indicate how outside activities, relationships, and financial interests are reviewed by Board of Directors.
- A conflict of interest may arise when a board member makes decisions out of self interest or in the interest of only part of the association instead of for the common good; and/or when a board makes a transaction with a business or organization that has a financial connection with a board member or a board member's family.

Policies and Procedures

True or False

15. It is true that a member who has a conflict of interest with respect to a motion cannot vote on the motion?

FALSE

- Under the rules in RONR, no member can be compelled to refrain from voting simply because it is perceived that he or she may have some “conflict of interest” with respect to the motion under consideration.
- If a member has a direct personal or monetary interest in a motion under consideration not common to other members, the rule in RONR is that he *should not* vote on such a motion, but even then he or she cannot be *compelled* to refrain from voting



Primary Policies and Procedures

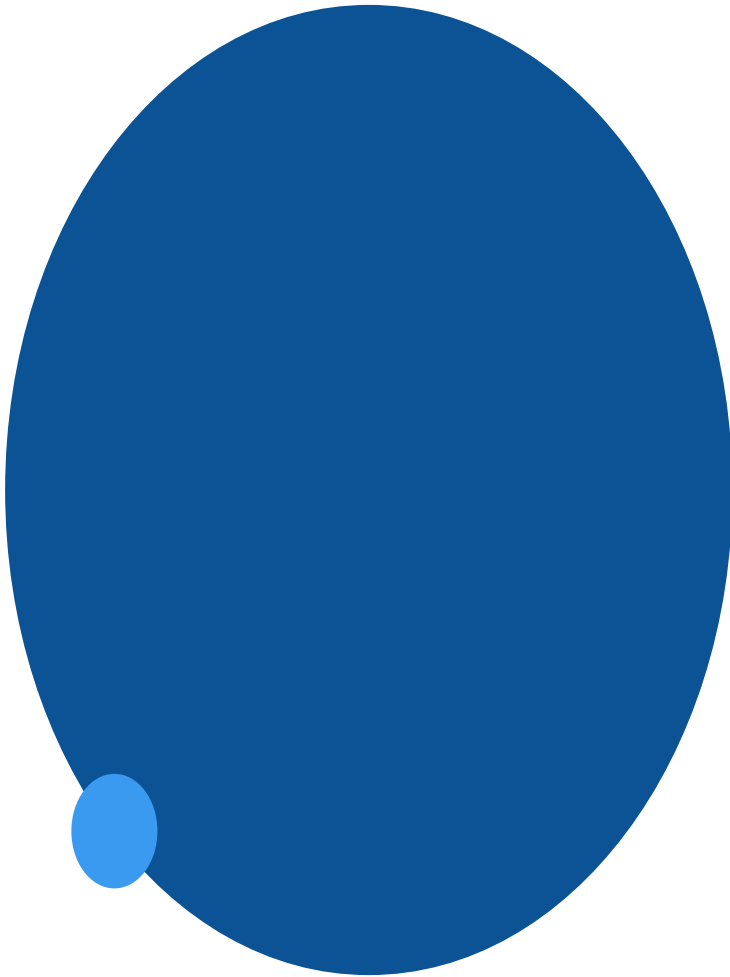
- **Conflict of Interest Document (Form 990)**
- **Whistleblower procedure (Sarbanes-Oxley Act)**
- **Corporate Filings – keep the program in “good standing”, Form 990**
- **Document Retention and Management Form 990**
- **Financial (Fiscal) Management**
- **Employee Compensation**

Primary Policies and Procedures

- **Gift Acceptance (taxes and licensing) Form 990**
- **Job Descriptions – ED (Contract), Board Members, Committees**
- **Nominations, Elections, Voting**
- **Training and Travel**
- **Promotions Calendar**

Primary Policies and Procedures

- **MOUs Bank, LE**
- **Tip Procedures**
- **Social Media**
- **Strategic Planning**



10 Most Common Bylaw Mistakes

- **10. Terms used in the Bylaws are not defined in the Bylaws P&P.**
- **9. Duties of Officers are not defined.**
- **8. One board position may be held by one or more persons concurrently.**
- **7. No provision is made for a Nominations and Elections Committee or similar impartial body to administer the elections process.**
- **6. Term limits are not defined.**



10 Most Common Bylaw Mistakes

- 5. Qualifications to run for office are not defined.
- 4. Required areas of conformity are not incorporated in the bylaws.
- 3. The bylaws are amended without following Robert's Rules of Order.
- 2. **The bylaws are suspended or ignored.**
- 1. **The bylaws are never read.**





**Articles of
Incorporation**

Bylaws

**Policies &
Procedures**

Thank you!

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