



Identifying Who You are by Writing By Laws

By Carol L. Topp, CPA

The Purpose of By Laws

By laws spell out how the organization will operate and they also configure the board of directors. By laws specify the organization's rules of internal operation. For example the by laws specify the number of members of the Board, the length each member serves on the Board, the officer positions, and how meetings are conducted. Some states require by laws, especially if your organization will incorporate. One of the first duties of the board of directors is to write and approve the by laws.

What to Include in Your By Laws

Name: The legal name of your organization not it's "Doing Business As" name.
(see my article titled *What's in a Name?*)

Purpose: Be very specific. Use a mission statement or a Bible verse if desired.

Location: Name your city, county and state

Qualifications of members: Not all homeschool non-profits have members. Even the word "member" can be loosely defined. Members do not have to be given the right to vote. Sometime it's too cumbersome to get members together for an annual meeting or a vote. Examples of qualifications for membership might include: payment of dues, agreeing to a statement of faith, legally homeschooling according to state laws, or just "homeschooling" or even just "interested in homeschooling".

Meetings: How often will the Board meet? Is a quorum required? Is majority vote required? Will proxy votes be allowed? How will the meetings be announced?

Board of Directors and Officers:

Will the Board be elected by members or self elected? Will the terms be one year or more?

Position descriptions for President, Vice President, Treasurer and Secretary
What are the qualifications of Board members? Should they be a member of the group for at least a year before serving on the Board?

How to resolve conflict? Include the Biblical standard here if desired or mention general guidelines.

Committees:

How are committees formed? "At the request of Board" is a common clause found in by laws.

Tax Exempt Provisions:

Include these special words from the IRS if your organization will be filing for 501c3 tax-exempt status with the IRS (from Instructions for Form 1023).

a. Upon the dissolution of _____, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for public purpose.

b. _____ is organized exclusively for charitable, religious, educational, and/or scientific purposes under section 501(c)(3) of the Internal Revenue Code. No part of the net earnings of _____ net earnings shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof.

c. No substantial part of the activities of _____ shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

d. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by an organization, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

What to leave out

Do not include in your by laws day to day operating policies such as:

- Dress codes
- Discipline policies
- Schedules
- Names of officers

By laws should not be confused with your organization's daily operating policies. Try not to be too specific in your by laws. I've seen bylaws that mention where meetings take place. Meeting location can change frequently and should not be in the by laws. A general guideline like "Quarterly meetings shall be held" is more

flexible. Leave the details to operating policies. Put all these day-to-day type of items in another document called: Policy Manual or Operating Handbook.

Copy from others

A good way to start writing your by laws is to review by laws of other organizations, including your church. Some nonprofits put their by laws on-line. You could also get advice from a lawyer or accountant familiar with nonprofit organizations to help write your by laws.

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