

## Bylaws Hot Spots

In reviewing scores of bylaws, I find “hot spots” or common problem areas. Sometimes the bylaws are out of synch with the corporate laws in the state in which the organization is registered. Some bylaws are just old and outdated.

Bylaws represent an agreement between the organization and the membership. Thus, the document should be properly maintained for the most effective operations.

Here are several bylaws “hot spots.”

**Meeting Notices** – A requirement to “mail” or use “U.S. Postal Service” to announce meetings is inappropriate for an organization that notices official meetings by fax or e-mail notices. Does your state allow electronic notices?

**Voting** – A requirement to vote in person or by “U.S. Postal Service” ballots as opposed to ability to vote by e-mail or return fax might identify a conflict in corporate law and organization practice.

**Standing Committees** – Look out for a list of standing committees that no longer exist. Reduce the standing committee list to the essential committees and make sure there is authorization for appointing task forces or ad hoc committees.

**Executive Committee** – Some executive committees meet and take action without authority for existence in the bylaws. Be sure the bylaws authorizes, empowers and limits the executive committee.



**Voting on Members** – A requirement that the board approve all new members before being accepted may lead to an antitrust, slander or libel charge.

**Discipline and Appeal** – Removing a member from the organization for cause but having no mechanism for notice, hearing and appeal by the member. Be sure bylaws allow for a process when charging or expelling a member.

**Employees** – The bylaws is a common place to give notice that the organization may hire an executive director who in turn is responsible for all employees (*not* the board of directors being responsible for employees.)

**Venue** – The requirement that the organization office be located in a specific city (usually the city of original incorporation) when indeed the office is no longer located there.

**Ethical Integrity** – To protect the organization and board, it is appropriate to include in the bylaws any requirements for financial audits and liability insurance. Some organizations treat these items as being discretionary from year to year. The practice should match the policy and inclusion in bylaws ensures consistent application.

In conclusion, the bylaws are like the Constitution. The document should be protected against continual change but reviewed strategically to eliminate the “hot spots.”

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