



Friends of Libraries Section

FLS creates a network to connect and inspire Friends groups in all types of libraries to support the New York library community.

Annotated By-Laws

What Should Be Included In By-Laws For Friends Organizations?

What are by-laws? *Robert's Rules of Order* states "Having a constitution and by-laws as separate documents is not necessary; one document suffices, generally referred to as the by-laws." By-laws are an organizing document, a formal statement defining the primary characteristics of the organization, how it operates and is governed, and the relationship of the members to the organization as a whole. By-laws contain a concise statement of purpose. By-laws state what rights the members have, who has power to make decisions, and the limits of that power. These key operational procedures and rules of the organization cannot be changed without previous notice to all the members and require a large majority for the vote. **It is not within the purview of the officers to change the by-laws at a monthly Board meeting.**

Before you begin: Consult a new edition of *Robert's Rules of Order*. The "simplified and applied" editions devote considerable coverage to constructing one of the most important documents of the organization. By-laws are legal documents and there are legal requirements for what should be included. The New York State Nonprofit Revitalization Act (NPRA) of 2013 has specified language and other considerations for by-laws for nonprofit organizations. For example, "**committees of the board**" has replaced "standing committees;" the Executive Committee or Finance Committee are examples. Other language includes "**committees of the corporation**," e.g., nominating committee, program committee, membership committee. The NPRA also outlines rules for remote participation in meetings (i.e., videoconference) and action taken by the Board without a meeting. As a nonprofit board, the Friends will need to adopt a conflict of interest policy that requires an annual review and disclosure statements signed by each Board member.

If you wish to incorporate your Friends group as a tax-exempt nonprofit corporation at a later date, the by-laws will need to be in place for that process. Incorporation of a Friends group is not required, but the process can lead to advantages for fundraising. Contributors to nonprofit groups can deduct donations from their income tax if the group has been granted tax-exempt status by the IRS. Consult with the library's attorney or an attorney with experience in the area of nonprofit law about the advantages and responsibilities for nonprofit organizations. There are very specific requirements for obtaining tax-exempt status from the Internal Revenue Service. See "Application for Recognition of Exemption" at www.irs.gov.

The organization should not need to go through a by-laws change every time a new membership category is established, or a new committee is appointed. It is best to make the by-laws as basic, concise, and flexible as possible. Broad, general statements like "the Executive Board will meet once a month" will serve better than stating "the second Tuesday of every month," given that the officers may change and have a conflict with a proscribed date.

All interested parties should have an opportunity to review the by-laws and make comments. If the Friends group is just beginning, the steering committee may write a draft, make it available for review (i.e., at the library or online), and then present it at the inaugural meeting of the Friends. Drafts should be sent to the library director and the library's Board of Trustees before they are formally adopted by the Friends membership.

*These **samples** of by-laws for the Friends of the Library contain comments to explain some of the nuances of language, sequence of the information, and sometimes cautionary notes. They are illustrative only and **not a complete set** of by-laws.*

Name of the Organization, Purpose, and Mission: The official name that is used on your legal documents (e.g., certificate of incorporation, application to the IRS for 501(c)(3) status) needs to agree, document to document. Be careful with your name: is it THE Friends of the Idyllic Free Library, or just “Friends of Idyllic Free Library”? Is there a THE before the library’s name? That is, “Friends of the Anytown Public Library” or “Friends of Anytown Public Library”? Use the library’s proper name, i.e., not just “Anytown Library”. The organization’s purpose and mission will guide future decisions on planning, programming, and spending the Friends funds. It defines who will be served by the group. The purpose should reflect long-term support for the library (rather than “raising funds for a new library building”).

Article I: Name

The name of the organization shall be known as “Friends of the Anytown Public Library,” hereafter referred to as the “Friends.”

Article II: Purpose

The Friends is organized and shall be operated exclusively for charitable purposes, in general, as set forth in Section 501(c)(3) of the Internal Revenue Code of 1986 as now in effect or hereafter amended. The purpose of the Friends shall be to maintain an organization of persons interested in libraries, to encourage and receive funds for the benefit of the Anytown Public Library (“the Library”), and to support and cooperate with the Library in developing library services and facilities for the community.

Article III: Mission

The Friends of the Anytown Public Library supports cultural and educational programs for the community and assists the library with special projects and purchases not covered by the library’s operating budget.

Members: There are two kinds of NYS nonprofit corporations (see Section 601 of New York State Not for Profit Corporation Law): (1) membership and (2) non-membership. Review the organization’s incorporation papers to learn what type of corporation your Friends is. The by-laws indicate who can join the organization, what the membership categories are, how to join (e.g., pay dues), the duration of the membership year, and any privileges afforded to the members. The amount of membership dues should not be included. One consideration: do you want to accommodate rolling registrations or only bill members once a year for their memberships?

Article IV: Members

Section 1: Eligibility. Membership is open to any individual, family, organization, or business that has indicated their willingness to be involved in the Friends program by paying their membership dues.

Section 2: Dues. There shall be a membership fee established by the Board of Directors for each class of membership covering the fiscal year of September 1 through August 31. Friends joining after May 1 shall be members for the following fiscal year.

Section 3: Privileges. Members shall be entitled to attend all meetings of the Friends Board of Directors.

Governing Body: Officers, the Executive Board, and Committees: What officers will the group have (e.g., president or chairman)? How will they be chosen and what are their terms of office? Help the Board be self-perpetuating with staggered terms and limits for length of service. How many people will serve on the Board of Directors? The duties and their general responsibilities should be outlined (e.g., attend each meeting). How will vacancies be filled? The nomination and election process needs to be detailed along with committees.

Do not include the personal names of the officers. Rather than outline full job duties in the by-laws, other documents, like a Leadership Manual, can contain the operating details of the Friends group (e.g., officers' and committee chairs' job descriptions, a procedural manual for the book sale, any guide for day-to-day operations).

Article V. Officers and Elections

Section 1: The officers of the Friends shall be the President, Vice President, Secretary, and Treasurer.

Section 2. Officers shall be nominated by a nominating committee of no fewer than three members appointed by the Executive Board at least two months before the Annual Meeting. With the consent of each nominee, the nominations shall be submitted in writing to the membership at least one month prior to the Annual Meeting. Additional nominations may be made from the floor with the consent of the nominee.

Section 3. Officers shall be elected by a majority vote of those present at the Annual Meeting, for the term of two years, commencing upon election. An officer may not hold the same office for more than two successive terms.

Section 4. All requests for withdrawal from office prior to the end of the term should be submitted in writing to the Executive Board. The Executive Board may appoint a person to serve out the unexpired term of an office rendered vacant. Any officer, upon leaving office, must relinquish all documentation, monies, and other properties to his/her successor.

Article VI. Executive Board

Section 1: The Executive Board shall consist of the officers of the organization and the chairpersons of committees of the corporation. The Library Director shall serve or appoint a staff designee as an ex-officio member of the Executive Board without voting privileges.

Section 2: The Executive Board meetings to conduct the business of the Friends are held in accordance with a schedule approved at the annual membership meeting.

Section 3: The Executive Board shall transact business by a majority vote of the members present.

Section 4. A majority of the Executive Board shall constitute a quorum. A quorum will be required to approve all financial and business transactions of the organization.

Meetings: The by-laws do not note the meeting calendar dates for a specific year; the location does not need to be specified. They do outline how the meetings are scheduled, to whom they are open, and what notice must be given.

Article VII. Annual and Special Meetings

Section 1. An Annual Meeting open to the general membership shall be held each year, at a time to be determined by the Executive Board, for the purpose of electing officers as scheduled and hearing reports on the business of the organization from the previous year. Members shall be notified in writing at least one month prior to the date of the meeting. Voting at the Annual Meeting is open to each paid membership.

Section 2. Special Meetings may be called at any time by the President, by any three members of the Executive Board, or by fifteen members of the organization for the purpose of conducting business.

Fiscal Matters: The fiscal year needs to be defined, along with auditing procedures and how financial matters will be conducted. Research what state requirements apply to the financial governance of nonprofits.

Article VIII. Fiscal Year and Finances

Section 1. The fiscal year of the organization shall be concurrent with that of the Anytown Public Library. A budget for the fiscal year shall be approved by the Executive Board prior to the year's commencement.

Section 2. No officer, committee, task force, or individual member shall incur any expenses on behalf of the Friends unless duly authorized by the Executive Board.

Section 3. The official financial records of the organization shall be maintained at the Anytown Public Library. The Friends accounts are subject to the audit practices of the Library.

Section 4. The Treasurer shall present a financial status report and a budget status report at each Executive Board meeting.

Parliamentary Authority and Amendments: What rules will be followed in official meetings? How are the by-laws amended?

Article IX: Parliamentary Authority

In all instances when they are applicable and not inconsistent with the by-laws and any other special rules the organization shall adopt, the rules contained in the current edition of **Robert's Rules of Order** shall govern the proceedings of this organization.

Article X: Amendments

The proposed amendments may be ratified at the annual meeting of the general membership, by affirmative vote of two-thirds of the persons present who are eligible to vote. Each paid member shall be notified in writing one month prior to the meeting at which the voting is to take place and provided with a copy of the proposed changes to the by-laws with recommendations from the Executive Board.

Dissolution Statement: What happens to the organization's assets if the organization disbands? Where would the funds go? This provision is required by law.

Article XI: Dissolution

In the event of a dissolution of the Friends, after paying or adequately providing for the debts and obligations of the organization, the remaining assets shall be distributed to the Anytown Public Library or, if at the time of dissolution, the Anytown Public Library is no longer in existence, then said assets shall be distributed to an organization exempt under Section 501(c)(3) of the Internal Revenue Code upon majority vote of the Executive Board members present at the last meeting of the Friends. Further, no member of the Friends shall be entitled to share in any assets upon dissolution of the organization.

By-laws should be reviewed annually to make certain they accurately reflect the current way of work for the Friends. A task force may be appointed by the Executive Board to review the document, looking for points that are no longer relevant or detailed statements that could be generalized. Proposed changes are brought to the full Board of Directors for discussion. Ask a parliamentarian and an attorney with experience in nonprofit law to review your proposed changes. The by-laws are then amended by a vote of the members at the annual meeting.

Always keep a hard copy of the current by-laws. **The original date of the adoption of the by-laws for the organization should be noted**, followed by the date(s) of any revisions. The latest official by-laws should be signed by the current Board President and Secretary. Every board member should receive a copy of the current by-laws for their own reference. Consider posting your by-laws on the Friends website.

This information must not be relied upon as an alternative to legal advice. Ask a local attorney knowledgeable in nonprofit law to review your by-laws and incorporation papers.