

COMMENTS ON PROPOSED REVISED BYLAWS (dtd 23-04-12)

John More
Greater Washington DC Chapter

General Comment:

The Society is placing an increasing emphasis on the role and importance of Chapters for the mission of the Society. The Society is developing tools and support for the Chapters. The Bylaws revision is part of that welcome effort. My comments are intended to strengthen the Bylaws. I also have the benefit or the problem of being both a lawyer who has worked on bylaws for mission-based organizations in the US and a community activist who believes the form of bylaws must reflect the needs of the organizations' members and mission. My comments will reflect both backgrounds.

Specific Comments:

Article II, Section 1 (a) and (b). Organizational Members "elect" Trustees, Chapters "designate" Trustees. Why this distinction? It may be reflected in the imbalance between the provisions for an annual meeting (and other meetings) for Organizational Members, but none for Chapters, as discussed below. Change "designate" to "elect".

Article II, Section 7. Why is it provided that agendas for meetings need not set forth the "business to be transacted, nor the purpose of any meeting". Trustees should have an interest in knowing the subject of a meeting (allows also for new business to be included).

Article II, Section 12. I suggest that there should be a provision in the Bylaws for annual audited financials, in addition to the budget.

Article IV, Intro. I suggest language recognizing the importance of Chapters in representing or communicating the interests of the individual members of the Society within the Society, since individual members do not have a direct vote for the Trustees.

Article IV should have subsections, as found in Article III.

Article IV, [Section 1]. Change "designate" to "elect". Use the same language for the limitation on the rights for Chapters as found in Article III, Section 1 for Organizational Members.

Article IV, [Section 2]. Add a new section on Chapter Membership Meetings parallel to Article III, Section 3 for Organizational Members. The annual meeting would elect Trustees. Having an annual meeting to elect Trustees and discuss others issues of importance to Chapters would properly represent the Chapters' enhanced roles

Article IV, [Section 3]. Add a new section on Notice parallel to that in Article II, Section 4 for Organizational Members.

Article IV, [Section 4]. Add a new section providing that Chapters have the right to manage their internal affairs and structure, subject to the laws of the jurisdiction in which they are established and the requirements for certified ISOC Chapters. Potential issue: what minimal requirements should there be for a Chapter to have the right to vote for Trustees? There could be Chapters with no internal elections, where there was not provision for the vote for Trustee to reflect the Chapter as a whole.

Article IV, [Section 5]. Add a new section providing for the decertification of a Chapter that are inactive or violates the standards for Chapters or does not reflect the mission of the Society. The process could be within the staff, but final approval should require approval of the Board (including a majority of the Trustees elected by the Chapters. There should also be a written communication and a chance to respond.

Article VI - Officers

It would be more normal that statutorily required officers of Treasurer and Secretary should also be appointed by and removed by the Board (or at least removed with Board approval). Seems unusual for the President to be appointing these officers, especially the Treasurer. In any event, the Board of a non-profit should be able to remove any top-level officer.

Also, usually the duties of Treasurer and Secretary are included in the Bylaws.

Article IX – Amendments

It is normal that there be at least 30 to 45 days notice of proposed amendments to the Bylaws, especially needed for the Society, which has a large constituency of organizational members and Chapters (and their individual members). If membership approval is required for an amendment under DC law, Chapters should be treated as members, at least for this limited purpose.

Suggested language for certain technical provisions:

No Director may resign if the Corporation would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the Office of Corporation Counsel or other appropriate agency of the District.

SECTION ____ NONLIABILITY OF TRUSTEES. Trustees shall not be personally liable for the debts, liabilities or other obligations of the Society.

SECTION ____ ANNUAL AUDIT. The Board of Trustees shall be responsible for conducting annually an independent audit of the accounts of the Treasurer and any Assistant Treasurer and the securities purporting to be in their custody or control as officers of the Society. The independent audit shall be conducted by a certified public

accountant selected by the Board of Trustees and shall be verified by the Board of Trustees.