



# By-laws for Non Profit Organizations

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## **What are by-laws anyway?**

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By-laws are the guiding rules that govern how we work as an organization. While the law creates an organization, the details of how the organization will function is left to us. We have to create the guidelines and rules that we want to follow, and those rules are called the by-laws. These by-laws must respect the limits that the law places on community organizations and the founding objectives laid out in the letters patent.

These rules help to ensure that all members are treated fairly and give us a kind of roadmap about the way the organization works. For example, by-laws should lay out who is considered to be a member of the organization and how decisions are made. Good by-laws help to prevent uncertainty and inconsistency and promote transparency. They provide an important framework for how the board of directors can help the organization to fulfill its mission.

## **Healthy by-laws for a healthy organization**

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By-laws should be written in plain language and avoid jargon. Having clear wording is important to avoid ambiguity in what a given by-law was meant to say. Keeping paragraphs short and sweet is important! Using the same key terms repeatedly throughout the by-laws can be important for clarity and consistency. It is also important to define key terms at the beginning of the by-laws. Organizing the by-laws with titles and subtitles can help to make them user-friendly. We can help to ensure that our by-laws don't leave people out by using gender-inclusive language (for example, using the plural pronoun *they* instead of the singular he or she). It is important to have multiple people involved in writing and reviewing the by-laws for clarity, coherence and to be sure they fit with the mandate.

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## COCO INFO-SHEET



COCO - The Centre for Community Organizations  
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Some organizations may want to include a by-law that limits the liability of board members, in case there should ever be legal action taken against the organization. Check out the following links for sample by-laws on board member liability:

### **Sample by-law for voluntary organizations**

[http://www.boarddevelopment.com/display\\_document.cfm?document\\_id=69](http://www.boarddevelopment.com/display_document.cfm?document_id=69)

### **COCO infosheet: Board Liability and Non-Profit Organizations**

[http://www.coco-net.org/sites/default/files/liability\\_infosheet.pdf](http://www.coco-net.org/sites/default/files/liability_infosheet.pdf)

## **Making by-laws meaningful**

Having good by-laws on paper is important, but ensuring that people know what the by-laws are, where they are kept, and what they mean in the daily working of our organizations takes some effort. Having a common interpretation of what the by-laws mean can help to prevent misunderstandings and conflicts as we work together for social change. It is important for staff and board members to have all read the by-laws, and have them guide the internal processes that we use.

## **When are by-laws created?**

The original by-laws are created when the organization is founded. However, as a group grows and changes, the by-laws may need to be modified too.

## **When do we make changes to the by-laws or our letters patent?**

In Quebec, Annual General Meetings (AGM) and Special General Meetings (SGM) are the places where proposed constitutional or by-law changes prepared by the board of directors can be accepted or rejected by a vote of the members attending the a general meeting. If there is no AGM coming up, we can call a SGM to make changes happen more quickly. These changes

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must be approved by a simply majority of the assembly, unless the by-laws say otherwise. However, changes to the letters patent must be approved by a 2/3 vote at a general assembly.

The membership has the power to accept or reject the proposed changes by the board, but cannot modify what the board has presented to the membership. For more information on AGMs and SGMs, check out the COCo infosheet:

### **COCO Infosheet**

*Annual General Meetings, Special General Meetings and Non-Profit Organizations*

[http://www.coco-net.org/sites/default/files/agm\\_infosheet.pdf](http://www.coco-net.org/sites/default/files/agm_infosheet.pdf)

For more information on by-laws, check out these great resources:

### **Guide (Martel, Paul)**

*Administrateurs de corporations sans but lucratif: Le guide de vos droits, devoirs et responsabilités (Éditions Wilson & Lafleur, Martel Ltée., Montréal, 2<sup>e</sup> édition, 2000) at p. 14*

### **Comité sectoriel de main-d'œuvre (CSMO)**

*Fiche 2: La structure juridique des OBNL et la gouvernance démocratique in Boîte à outils: La gouvernance démocratique at p. 97-99*

[http://www.csmoesac.qc.ca/uploads/documents/menu\\_sections/boite\\_a\\_outils.pdf](http://www.csmoesac.qc.ca/uploads/documents/menu_sections/boite_a_outils.pdf)

If you need a hand at any point along the way, feel free to give COCo a call at (514) 849-5599 or toll free in Quebec 1 (866) 552-2626, or contact us at [info@coco-net.org](mailto:info@coco-net.org).

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