

Non-Profit Bylaws



RI Business Services

Did you know...

Non-profit corporations **do not** have owners? A non-profit's bylaws dictate how the organization will be managed, who will make key decisions, and the responsibilities of each director and officer.

What are bylaws?



Bylaws are a non-profit corporation's internal operating guidelines. Bylaws are **required** by RI § 7-6-16 and are to be held in a non-profit's private records. Once agreed upon and signed by the original board of directors, bylaws become a legally binding contract that determine how an organization will operate.

What is usually included in a non-profit's bylaws?

Bylaws should be unique to a non-profit's mission, but most bylaws include these elements:

- How meetings will be called and hosted.
- How key decisions are made.
- Who will exercise financial control over the non-profit's assets.
- What the roles and term limits of officers will be, as well as their unique responsibilities.
- How board members are elected and ousted.
- Guidelines to amend the bylaws as the organization changes.

How do bylaws help support a non-profit's mission?

While a non-profit corporation is legally required to have bylaws, having well-written bylaws also provides significant benefits, including helping an organization:

- Qualify for **federal tax exemption** and **state sales tax exemption**.
- **Raise money** by **soliciting donations** from the public, financial institutions, private corporations, and government bodies.
- Avoid unnecessary conflict and confusion about each **officer and director's rights and responsibilities**.
- Provide **stability and continuity of operations** by defining how the organization will operate if there is a change in leadership.

Where can I get more information?

Social Enterprise Greenhouse (SEG)
segreenhouse.org

The Alliance for Non-Profit Impact
unitedwayri.org

