**SAMPLE BYLAWS FOR A QUASI MAIN STREET PROGRAM WITH A 501(C)(3) NON-PROFIT STATUS**

**Note: These are the same as for a non-profit with exceptions. All Exceptions will be noted with an asterisk \*. The primary differences will be with the Executive Director and finances. If the quasi organization is a non-profit with a 501(c)6 or 4 status these may be adjusted for that particular organization model. Refer to the bylaws for 501(c)4 or 6 and apply as appropriate. We encourage you before adopting any bylaws to carefully review and possibly seek advice or a review of your bylaws from either an attorney or an accountant or even both.**

**ARTICLE I. NAME OF ORGANIZATION**

The name of this corporation shall be the (INSERT NAME OF ORGANIZATION). The principal office shall be in (INSERT THE LOCATION OF THE PHYSICAL OFFICE OR IN THE COUNTY OF X, CITY/TOWN OF X)

**ARTICLE II. PURPOSE**

**Section 1**. **State the organization’s purpose/mission**

**Section 2.** **Upon dissolution of the Corporation**, any assets then remaining shall be distributed among other such organizations as shall qualify at the time as exempt organizations described in Code Section 501(c)(3) as the Board of Directors shall determine, such assists to be used for purposed consistent with those described in the immediately preceding subparagraphs lettered (a) through (e). Any such assets now so disposed shall be disposed of by a court of competent jurisdiction, in the county in which the principal office of the organization is then located, exclusively for such purposes.

Notwithstanding any other provision of these articles not permitted to be carried on by an organization exempt from Federal income tax under section 501 (c) 3 of the Internal Revenue Code of 1986, or corresponding provision of any future United States internal revenue law.

**ARTICLE III. MEMBERSHIP**

The corporation shall have no members.

**ARTICLE IV. BOARD OF DIRECTORS**

**Section 1**. **General Powers**: The Board of Directors shall manage the business and affairs of the Corporation.

**Section 2.** **Number, Term and Qualification**: The number of directors constituting the Board of Directors shall be (X) OR NO LESS THAN (X). All directors shall be appointed by the Board of Directors of the Corporation. There will be a nominating committee established annually to recommend to the Board a slate of new Directors.

The directors shall be divided into three classes, to serve in the first instance for terms of one, two and three years, respectively, and until their successors shall be elected and shall qualify, and thereafter the successors in each class of directors shall be elected to serve for terms of three years. No director shall serve more than two consecutive three-year terms. In the event of any increase or decrease in the number of directors, the additional or eliminated directorships shall remain or become equal in number, as nearly as may be.

The following is an example for designated Main Street towns that have a Municipal Service District.

* One-third of the board of directors will consist of property owners within the boundaries of the Main Street district (Consider the following: have diversity of property owners – from large to small property owners)
* One-third of the board of directors will be business owners within the boundaries of the Main Street District (Consider the following: have diversity among business owners from large to small, also service related businesses such as attorney(s), insurance, banking, medical/dental, salons/barbers, AND diversity of talents that will complement the entire board, and DIVERSITY of ethnicity, age, gender, social status. )
* Or two thirds may be made up of a combination of the above
* The remaining one-third of the board of directors will consist of the following:
  + Downtown residents or residents that border the immediate downtown boundaries
  + Representation from the city of X (this could be a planning director, parks and recreation, public works, public information officer, etc.)
  + Representation from public/private schools/universities, community college(s)
  + County representation such as a county commissioner or County Economic Development director
  + Representation from a cross sector of non-profits and/or faith-based organizations that are representative of your community. Examples: major churches that are located within the boundaries of the downtown district, shelters such as homeless, urban community centers, social services, etc., County or City Arts Council, Civic Clubs such as Rotary, Kiwanis, etc., Chambers of Commerce, Economic Development board representative

The following is an example for designated Main Street communities **WITHOUT a Municipal Service District: We do recommend following the above** but there is more flexibility to add members to the board that are outside of the district, but who have the best interest of downtown. These can include:

* + corporation representatives
  + citizens within the community
  + stakeholders who may live outside of the boundaries of the downtown district, but are impacted by the downtown district such as public/private schools, universities/colleges, community college, county

**Section 3**. **New members of the Board of Directors** shall participate in an orientation program familiarizing them with the goals and objectives of the Corporation and with their responsibilities as a board member.

**Section 4**. **Termination**: The board of directors may remove from office any director who has missed three consecutive board meetings. Any director may be removed before the expiration of his/her term by a two-thirds majority vote of the entire Board whenever, in their judgement the best interest of the Corporation will be served thereby. A director may resign at any time by giving written notice of his/her intention to the Board Chair and Secretary.

**Section 5**. **Vacancy**: Any vacancy occurring on the Board of Directors shall be filled by appointment by the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor in office.

Section 6. **Ex Officio Directors**: Optional section to add. Some boards have non-voting ex-officio members such as a mayor, elected official, past presidents or a city department head. Decide if there is a benefit to having ex officio members of the board and if there is consider adding the following text:

*The Board of Directors, by resolution, may designate ex officio members of the Board of Directors to attend and participate in meetings of the Board. (Insert the ex officio member’s tie to the organization such as a past president, or the mayor or city council liaison). Ex Officio directors shall have no vote*.

**Section 7**. **Conflict of Interest**: No board member shall take part in the consideration or deliberation of any matter before the Board in which the Board member, or any member of the Board member’s family, is a party or has a direct financial interest. Every board member must sign an annual Conflict of Interest agreement.

**Article V. MEETINGS OF DIRECTORS**

**Section 1**. **The meetings of the Board** shall be held (insert location) or at any place within the United States that the Board may from time to time designate.

**Section 2.** The **annual meeting of the Board** shall be held in (insert the month that this will be held – typically at the beginning of the new fiscal year or calendar year) for the purpose of the appointment of officers and for the transaction of other business as may be properly brought before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. If the annual meeting shall not be held on the day designated by these bylaws, a substitute annual meeting may be called, and a meeting so called shall be designated and treated for all purposes as the annual meeting.

**Section 3.** **Notice of every meeting of the board**, stating the place, date, hour of the meeting shall be given either personally (including electronic notice) or by mail not less than five, nor more than fifty days before the date of the meeting, If mailed, such notice shall be deemed delivered when deposited in the United States Post Office with postage thereon prepaid and addressed to the Directors as they appear on the Corporation’s record of the Board.

**Section 4**. **Notice of any special meeting** of the Board of Directors shall be given at least 72 hours by written notice delivered in the following agreed upon method: by personal delivery, by mailing to the address of record or email. They may be held at any time and place as may be designated in the notice of said meeting, upon call of the Chairman, Vice-Chairman or the Executive Director, or by the Board of Directors either at their request or upon written petition by at least four active Directors.

**Section 5. A majority of the directors shall be required to constitute a quorum** for the transaction of voting business. When a quorum is present to organize a meeting, it shall not be broken by subsequent withdrawal of any of those present. In the absence of a quorum at the opening of a meeting, the meeting may be adjourned from time to time by the vote of a majority of directors present voting on the motion to adjourn, but no other business may be transacted until and unless a quorum is present.

**Section 6.** **Electronic voting.** This may be allowed if subject needs immediate attention and votes will be recorded in the minutes of the meeting or at the next regularly scheduled meeting.

**Section 7**. **Roberts Rules of Order Newly Revised** shall govern the parliamentary procedures of the Corporation when not in conflict with these Bylaws.

**ARTICLE VI. OFFICERS**

**Section 1**. **Officers of the Corporation** shall consist of the President, Vice President, Secretary, and Treasurer. All officers shall be directors. (You may substitute Chairperson and Vice Chair for President and Vice President.)

**Section 2**. **Election, Term and Qualification**: The officers of the corporation shall be elected annually by the Board of Directors from among their number and shall hold office for one year and until the election and qualification of their successors.

**Section 3**. **Any vacancy in the office** may be filled by the Board of Directors. Any officers elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

**Section 4**. **President (or could be Chairperson):** The President shall have and exercise general charge and supervision of the affairs of the Corporation and shall do and perform such other duties as may be assigned to him/her by the Board of Directors. The President shall preside at all meetings of the Board of Directors. He/she shall sign, with any other officer, any deeds, mortgages, bonds, contracts, checks, or other instruments which may be lawfully executed on behalf of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be delegated by the Board of Directors to some other officer or agent.

**Section 5**. **The Vice President (or Vice Chair)**, at the request of the President, or in their absence or disability, shall perform the duties and possess and exercise the powers of President. The Vice President shall, as authorized by the board of Directors, have such powers and perform other duties which may be assigned to them from time to time by the Board of Directors.

**Section 6.** **The Secretary** shall have charge of such books, documents, and other papers as the Board of Directors may determine, have custody of the corporation seal, and serve as the Registrant of the Corporation. They shall attend and keep the minutes of all meetings of the Board of Directors of the Corporation. The Secretary may sign with the President and Vice President, in the name and on behalf of the corporation, any contract or agreements authorized by the Board of Directors, and they may affix the seal of the Corporation. The Secretary shall, in general and subject to the control of the Board of Directors, perform all the duties incident to the office of Secretary and shall do and perform such other duties as may be assigned to them by the Board of Directors.

**Section 7**. **The Treasurer** shall perform the normal duties of a corporate treasurer security subject to control, guidance and regulation of the Board of Directors. The treasurer is responsible for managing the organization’s budget and records of receipts and disbursements. **\***Note: in some cases, a Quasi organization does not have a budget outside of the line item within the city budget. We encourage all non-profits to establish a budget separate from the city’s line-item budget for the program. This budget can be used for special projects, incentives, MSD funds may be allocated to the non-profit and run through this budget, etc.

**ARTICLE VII.COMMITTEES**

**\* Section 1.** **Executive Committee:** An executive committee will be composed of the officers of the board of directors and may include up to two additional members of the full board as needed. The executive committee is to facilitate decision-making between board meetings or in urgent and crisis circumstances with the power to act on behalf of the full board and is a steering committee for the board. A representative(s) of the executive committee may take part in the hiring and recommendation for the Executive Director position, but the (insert city name) has the final decision in the hiring of the Executive Director.

**Section 2.** **The corporation shall have at least three (3) standing committees**. These committees will either be identified by the strategies from the plan of work, or they will be named: Promotion, Design and Economic Vitality (Development may be substituted for the word Vitality). Each committee will consist of no less than four (4) members and shall have as chairperson a member of the Board of Directors who shall be responsible for directing the affairs of the committee. The terms of the committees shall be for one year commencing at the time of the annual meeting.

**Section 3**. **Subcommittees:** The board shall have subcommittees as appropriate for this organization. In addition, the Board President may create ad hoc subcommittees. The President shall designate the membership of all committees. The President shall be either an active or ex officio member of all committees.

**ARTICLE VIII. EXECUTIVE DIRECTOR**

**\* The Executive Director** of the corporation is employed by and shall receive compensation by the (insert town or city’s name). The executive director shall manage the daily operations of the Corporation and be responsible for coordinating the implementation of the corporation’s policies and projects and such other duties as the Board of Directors may require.

**ARTICLE IX. FINANCES**

**Section 1**. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or device for the general purposes or for any special purpose of the Corporation. The corporation may borrow funds as is necessary to further the purposes for which the corporation is created.

**Section 2.** The approved budget may be reviewed and revised periodically as deemed necessary by the Board.

**Section 3.** The fiscal year of the Organization shall begin on the first day of July and end on the last day of June in each year. The approved budget may be reviewed and revised periodically as deemed necessary by the Board.

**\* Section 4. Disbursements.** Upon approval of the budget, the Executive Director is authorized to make disbursements on accounts and expenses provided for in the budget without additional approval of the Board of Directors. Monthly finance reports will be provided at the Board of Director’s meeting. This may be subject to the approval of the (insert the name of the city) finance department and according to their procedures.

**Section 5. Contracts.** The Executive Director is authorized to enter into contracts for activities that have been approved by the Board as part of the budget or plans. The Board may authorize contracts outside of these parameters and all contracts with a financial value greater than $5,000. The Executive Director is required to obtain competitive bids for items or services costing in excess of $5,000.(This may be adjusted as appropriate for your organization.) Selection will be based on cost, service, and other elements of the contract. The Board may award the bid to any provider and is not required to accept the lowest cost proposal.

**Section 6. Duties of the Treasurer.** The treasurer will control all elements of the Organization’s finances. Signatures of the treasurer and/or executive director will be required to process organization’s financial transactions. In the absence of one of these officers, the President shall be an authorized signatory. Items outside budget approval require signature or email approval from the President or Treasurer.

**Section 7. Duties of the Executive Director.** The executive director shall pay all obligations and file required reports in a timely manner. The executive director shall make no contractual commitments for bank loans, corporate credit cards, or for real estate leases or purchases without the specific approval of the Board.

**Section 8. Capitalization Rate and Depreciation.** Fixed assets with purchase price greater than $2,000 shall be capitalized. Assets purchased with a price lower than $2,000 shall be recorded as an expense. Deprecation of capital assets will not exceed five years for furniture and equipment or three years for computer and other technology equipment.

**Section 9.**  **Reviews.** Annually, or upon request of a majority of the Board, the accounts of the organization will be reviewed by a reputable CPA or Qualified Public Accountant, whose report shall be submitted to each member of the Board.

**Section 10. Audits**. Annually, if required by law, the accounts of the organization, in lieu of a review will be audited by a reputable CPA or Qualified Public Accountant, whose report shall be submitted to each member of the Board.

**ARTICLE X. INDEMNIFICATION**

The (insert name of corporation) shall indemnify and hold harmless any Director, Officer, or Employee of the Corporation from any loss including reasonable expense incurred in defense of any action or claim, resulting to such Director, Officer or Employee as a result of serving in such capacity except to the extent such loss might be occasioned by intentional wrongdoing.

**ARTICLE XI. AMENDMENTS**

Section 1. **The bylaws may be amended** at any meeting after the meeting at which the amendment is first presented upon an affirmative vote of what constitutes a quorum.

Adopted by the (insert organization name), Board of Directors this (insert day), (insert date).

As this as applicable: Amended by (insert organization name), Board of Directors this (insert day), (insert date).