**BETA THETA PI FRATERNITY**

**CORNERSTONE HOUSING PROGRAM**

**SAMPLE BYLAWS**

*Updated April 2016*

*This template document is intended as a guide for Beta Theta Pi volunteers establishing a house corporation or amending their bylaws. Each state and commonwealth has unique requirements for nonprofit incorporations; before drafting or revising your corporate bylaws, please visit your secretary of state web site and research state-specific requirements. For established house corporations, your bylaws must be consistent with the articles of incorporation on file with the secretary of state.*

*Bylaws govern the day-to-day operations of a corporation; they should be distributed to members of the corporation and its directors and reviewed and updated regularly. The bylaws should reflect the operating practices of the corporation; the house corporation must follow the provisions in their bylaws. For that reason, bylaws should be specific enough to give guidance to members and directors but broad enough to allow flexibility to govern and make decisions.*

*We strongly recommend that an attorney with nonprofit corporate expertise in your state review your articles of incorporation and bylaws.*

*Standards for bylaws in Canada are similar to those in the United States; see online resources provided by the Canadian government.*

**By-Laws of the House Corporation of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Chapter of Beta Theta Pi Fraternity**

Last revised FILL IN DATE

*The title should reflect the official name of the corporation. Each version of the bylaws should include a revision date so all members and directors are operating from the most recent version.*

**Statement of Purpose**

The House Corporation of the \_\_\_\_\_\_\_ Chapter of Beta Theta Pi Fraternity was established to maintain a safe and desirable facility and environment that serves as home to undergraduate members and as a welcome place to visit for alumni, family, and friends of the \_\_\_\_\_\_\_\_\_\_ Chapter of Beta Theta Pi.

*Some house corporations choose to re-state their purpose, as described in their articles of incorporation. Because your bylaws are a working document, this could be a good idea to remind members and directors of the purpose of the corporation.*

**Article I: Offices**

The corporation shall have and continuously maintain in the State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ a registered office and a registered agent (whose office shall be identical with such registered office), and may have other offices within or without the State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ as the board of directors may from time to time determine.

*Your state will require the house corporation to have a registered agent and a registered address, which is where official correspondence and corporate renewal documents will be sent. This article simply reiterates that the house corporation will have a registered agent. This also allows the house corporation to meet and conduct business in a location other than the incorporating state and the registered address.*

*The bylaws should specify who is considered a member of the house corporation and what rights, if any, those members have. House corporation membership and the method for selecting directors / officers can be structured in a variety of ways and should be done in a manner that’s consistent with the culture of the chapter and the structure and level of alumni involvement. Here are some options:*

*Voting members are the initial or sitting board members. There is a small board of directors that elects its own successors; from that board of directors annual elections are held for executive positions on the board (e.g., president, treasurer).*

*All initiated alumni members of the chapter are voting members of the house corporation; directors / officers of the corporation are elected from this pool. This approach limits the pool of potential volunteers for the house corporation board officers (for instance, Beta alumni from other chapters).*

*All initiated alumni members of the chapter are voting members of the house corporation; however directors / officers of the corporation are elected from the pool of all initiated alumni members of any Beta chapter. This allows alumni from other chapters to serve as directors / officers but limits the voting membership pool to those alumni from a specific chapter.*

*All initiated alumni members of the chapter are voting members of the house corporation; however directors / officers of the corporation are elected from the pool of all qualified people (for instance alumni, parents, friends of Beta, alumni from other Beta chapters). This offers the broadest possible talent pool from which to recruit volunteers and gives maximum flexibility to the house corporation in recruiting qualified people to the board.*

**Article II: Board of Directors**

**2.1 General Powers.**

All of the business and affairs of the corporation shall be managed and controlled by the board of directors except that certain of the matters which must be submitted to and receive the approval of the board of directors must also be submitted to, and receive the approval of the executive committee defined in Article III herein. The following are the matters which must be submitted to, and receive the approval of both, the board of directors and the executive committee:

1. Annual financial statements.

2. The amendment or restatement of these bylaws or the articles of incorporation.

3. The merger, consolidation or dissolution of the corporation.

4. The sale, lease, exchange, pledge or mortgage of any substantial part of the assets of the corporation, or any contract, option or other agreement with respect thereto.

5. Any other matter which may be specified by the executive committee.

6. Such other matters as to which the board of directors determines by resolution that such submission is advisable.

*This section spells out the general responsibilities of the directors of the corporation.*

**2.2 Number, Election, and Tenure.**

The number of directors shall not be less than five or more than nine. At the regular annual meeting, the existing directors shall elect directors for terms commencing on the first day of \_\_\_\_\_\_\_\_\_\_\_\_ following such election and continuing for three years and until their respective successors shall have been elected and qualified except as provided in Section 2.3 of these bylaws. In addition, unless already directors by virtue of election, the president and the treasurer of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ chapter of Beta Theta Pi Fraternity shall automatically be voting directors of the corporation during the times such persons occupy their offices as president and treasurer, respectively of the chapter.

*The number of directors specified in the bylaws should be consistent with the language in the articles of incorporation. These bylaws are worded to allow the number of directors to grow or shrink based on the needs of the corporation.*

**2.3 Staggered Terms**

Directors shall be divided into three groups substantially equal in number with terms expiring at intervals of three years. No director shall serve more than 2 (two) consecutive terms.

*Staggered terms allow better transitions and prevents the entire board from leaving at the same time. Term limits are up to the discretion of the corporation; limits ensure rotation of new volunteers onto the board. House corporation boards that are working from a small alumni base or that traditionally have difficulty filling the board might not want to impose term limits.*

**2.4 Ex Officio Members of the Board**

The members of the board of directors may from time to time, after notice to and approval by the executive committee, appoint one or more additional persons as ex officio members of the board. Ex officio members of the board of directors shall not vote or be counted in determining the existence of a quorum.

*Some house corporations ask the chapter counselor, financial advisor, chapter president and / or chapter treasurer to serve as ex-officio members of the board. This ensures good communication among the advisory board, chapter executive board, and house corporation board.*

**2.5 Regular Meeting**

A regular annual meeting of the board of directors shall be held in \_\_[month]\_\_\_ of each year, at such time and place as shall be designated by the president or vice president in the notice or the meeting for the purpose of electing officers and members of the executive committee and for the transaction of such other business as may come before the meeting. The board of directors may provide by resolution for the holding of additional regular meetings.

*Many house corporations hold their annual meeting in the fall during homecoming or alumni weekend on their host campus. If the bylaws specify a certain time of year or month for the annual meeting, then it must be held at that time. Another option is to specify that there will be annual meeting, with date and time to be determined by the directors with a certain amount of advance notice provided.*

**2.6 Special meetings**

Special meetings of the board of directors may be called at the direction of the Chairman of the board of directors or the president, or a majority of the place either within or without the State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_, as shall be designated in the notice of the meeting.

*This is a blanket statement that gives the directors authority to call a meeting at the time and place of their discretion.*

**2.7 Notice**

Notice of the time and place of any meeting of the board of directors shall be delivered personally to or (e)mailed to each of the directors at least three days prior. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board need be specified in the notice of waiver of notice of such meeting unless otherwise required by statute.

*If the bylaws specify that notice must be given a certain way, then it must be done that way. If a house corporation has not amended its bylaws in a long time, they may find that meeting notices must be provided via hard copy mail or by telegram. The language should be general enough to accommodate evolutions in technology and methods of notification.*

**2.8 Quorum**

Four directors present in person shall constitute a quorum for the transaction of business at any meeting of the board, unless the presence of a greater number is required by law, in which event the quorum shall be such number as the law requires.

*Some states may have a required number or percentage for what constitutes quorum for a corporate board; check the secretary of state web site for details.*

**2.9 Manner of Acting**

1. Formal Action by Directors. The act of a majority of directors present in person at a meeting at which a quorum is present shall be the act of the board of directors.
2. Informal Action by Directors. No action of the board of directors shall be valid unless taken at a meeting at which a quorum is present except that any action which may be taken without a meeting if a consent in writing, (setting forth the action so taken), shall be signed by each director entitled to vote.

**2.10 Resignations and Removal**

Any director may resign from the board at any time by giving notice in writing to the president or secretary of the corporation, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Directors may be removed from office by the executive committee without assigning any cause.

**2.11 Vacancies**

Any vacancy occurring in the board of directors and any directorship to be filled by reason of an increase in the number of directors shall be filled by the remaining directors.

**2.12 Compensation**

Directors as such shall not receive any stated salaries for their services, but by resolution of the board of directors’ expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the board.

*It is never appropriate for house corporation board members to receive compensation for serving on the board or as an officer. However, the board may decide to reimburse some travel expenses. Most house corporation boards expect their members to pay for travel and incidental expenses out-of-pocket without expectation of reimbursement; whatever the policy, it should be made clear to the volunteers as they’re being recruited or elected and should be a fair and ethical use of house corporation money.*

**2.13 Procedure**

The chairman of the board of directors, or in his absence, the president, shall preside at meetings of the board of directors. The board of directors may adopt its own rules of procedure which shall not be inconsistent with these bylaws.

**Article III: Executive Committee**

*This next section covers the duties and procedures for the executive committee. You’ll see parallel structure from the prior section; for brevity we have not repeated editorial comments.*

**3.1 Election**

There shall be an executive committee which shall be comprised of ten members, all of whom shall be elected from the board of directors.

*In this example the executive committee is elected from the larger board of directors; the executive committee is tasked with operational decisions for the corporation. The size of the executive committee should be determined based on the amount of work expected, the number of officer positions that need to be filled from the executive committee, and the overall size of the volunteer pool.*

**3.2 Powers**

The executive committee shall have those exclusive powers expressly conferred upon it by these bylaws. In addition, the executive committee, when the board of directors is not in session, shall have and exercise all of the authority of the board of directors in the management of the corporation except as such authority is limited by statute or may be limited by the resolution electing the executive committee.

*This section spells out the authority of the executive committee.*

**3.3 Tenure**

Each of the elected members of the executive committee shall hold office until the next annual meeting of the board of directors following his election and until his successor as a member of the executive committee is elected, unless such member shall soon resign or be removed.

*In this example members of the executive committee serve for 1 year and there are no term limits.*

**3.4 Ex Officio Members**

The board of directors may from time to time, appoint one or more additional persons as ex officio members of the executive committee. Ex officio members of the executive committee shall be entitled to all of the rights and privileges of the executive committee but shall not vote or be counted in determining the existence of a quorum.

**3.5 Meetings**

Meetings of the executive committee may be called by or at the direction of the president or a majority of the voting members of the executive committee, to be held at such time and place as shall be designated in the notice of the meeting.

**3.6 Notice**

Notice of the time and place of any meeting of the executive committee shall be delivered personally to or (e)mailed to each of the directors at least one day prior. Any member of the executive committee may waive notice of any meeting, except where a member of the executive attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the executive committee need be specified in the notice or waiver of notice of such meeting.

**3.7 Quorum**

A majority of the voting members of the executive committee shall constitute a quorum for the transaction of business at any meeting of the executive committee, unless the presence of a greater number is required by law, in which event the quorum shall be such number as the law requires.

*Notice that in this example quorum for the executive committee is different than quorum for the larger board of directors. Some states may have a required number or percentage for what constitutes quorum for a corporate board; check the secretary of state web site for details.*

**3.8 Manner of Acting**

1. Formal Action by Executive Committee. The act of a majority of the members of the executive committee present in person at a meeting at which a quorum is present shall be the act of the executive committee.

2. Informal Action by Executive Committee. No action of the executive committee shall be valid unless taken at a meeting at which a quorum is present except that any action which may be taken at a meeting of the executive committee may be taken without a meeting if a consent in writing, (setting forth the action so taken), shall be signed by each member of the executive committee entitled to vote.

**3.9 Resignations and Removal**

Each of the members of the executive committee may resign from the executive committee at any time by giving written notice to the president or secretary of the corporation unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Each of the members of the executive committee may be removed at any time, with or without cause, by resolution adopted by a majority of the directors then in office.

**3.10 Vacancies**

Any vacancy occurring in each of the two elected members of the executive committee and any membership therein to be filled by reason of an increase in the number of members of the executive committee shall be filled by the board of directors.

**3.11 Compensation**

 Members of the executive committee as such shall not receive any stated salaries for their services, but by resolution of the board of directors’ expenses of attendance, if any, may be allowed for attendance at each meeting of the executive committee.

**3.12 Procedure**

The chairman of the board of directors of the corporation, or in his absence, the president, shall preside at meetings of the executive committee. The executive committee may adopt its own rules of procedure which shall not be inconsistent with these bylaws.

**Article IV: Officers**

*This next section covers the duties and procedures for the officers of the corporation. You’ll see parallel structure from the prior section; for brevity we have not repeated editorial comments.*

**4.1 Officers**

The officers of the corporation shall be a president, a vice president, a secretary, and a treasurer. The corporation may, at the discretion of the board of directors, have additional officers including, without limitation, other vice presidents, one or more assistant secretaries, and one or more assistant treasurers. One person may hold two or more offices except one person may not hold both the offices of president and secretary.

*In this example the officers are elected by the directors during the annual meeting.*

**4.2 Election and Term of Office**

The officers of the corporation shall be elected annually by the board of directors at its annual meeting. If the election of officers shall not be held at such meeting, it shall be held as soon thereafter as may be filled or new offices created and filled or new offices created and filled at any meeting of the board of directors. Each elected officer shall hold office for a term of at least two years and until his successor is elected unless he shall sooner resign or be removed.

**4.3 Removal and Resignations**

Any officer elected by the board of directors may be removed by the board of directors or the executive committee whenever in their judgment the best interests of the corporation would be furthered thereby. Any officer may resign at any time by giving written notice to the president or the secretary of the corporation, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**4.4 Vacancies**

 A vacancy in any office may be filled by the board of directors or the executive committee for the unexpired portion of the term.

**4.5 President**

The president shall be the chief executive officer of the corporation and have general overall supervision of all of the business and affairs of the corporation. His responsibilities shall include, without limitation, the following: (a) the day-to-day administration of the corporation; (b) acting as the representative of the corporation to the public, as well as to governmental and voluntary organizations; (c) making policy proposals to the board of directors; (d) long-range planning; (e) assigning overall responsibility for corporate management; and (f) reporting to the board of directors on the performance of corporate functions. The president shall be an ex officio member of all committees which may be from time to time elected or appointed.

 The president may sign, with the Secretary or any other proper officer of the corporation authorized by the board of directors any deeds, mortgages, bonds, contracts, or other instruments that have been authorized to be executed except in cases where the signing and execution thereof shall be expressly delegated by the board of directors or by these bylaws or by statute to some other officer or agent of the corporation. In general, he shall perform all duties incident to the function of chief executive officer and such other duties as may be prescribed by the board of directors from time to time.

*If your house corporation board allows non-Betas to serve, the language in your bylaws should be gender neutral.*

**4.6 Vice Presidents**

One or more vice presidents may be elected from among the directors and, in the absence of the president, the vice president first, and second any other elected vice presidents, (in order of their election), shall perform the duties of the President.

**4.7 Treasurer**

The treasurer shall, subject to the direction of the president, have charge and custody of and be responsible for all funds and securities of the corporation from any source whatsoever; deposit all such monies in the name of the corporation in such banks, trust companies, or other depositories; and in general, perform all duties as from time to time may be assigned to him or her by the president or by the board of directors. If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety as the board of directors shall determine.

*While it is not common for a volunteer treasurer to “give a bond,” it is an option for the house corporation board to consider. It is a best practice for nonprofit boards to conduct a background check on volunteers in key roles (such as president and treasurer) as a method for preventing fraud. If doing so, that stipulation should be clearly communicated to potential volunteers.*

**4.8 Secretary**

The secretary shall, subject to the direction of the president, keep the minutes of the meetings of the board of directors and executive committee; assure that minutes of all meetings of other committees are prepared and filed with the records of the corporation; assure that all notices are given in accordance with the provisions of these bylaws or as required by law; be custodian of the corporate records and of the seal of the corporation; assure that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is authorized in accordance with the provisions of these bylaws; and in general perform all duties as from time to time may be assigned to him by the president or the board of directors.

*Duties of the secretary should be general enough to allow for evolution of technology. For instance, some older versions of bylaws specify that minutes from meetings must be “kept in books especially provided for that purpose” and distributed “via US Mail.”*

**4.9 Assistant Treasurers and Assistant Secretaries**

The assistant treasurers and the assistant secretaries, in general, shall perform such duties as shall be assigned to them by the treasurer or the secretary or by the board of directors.

**4.10 Compensation**

The compensation of the officers, if any, shall be fixed by the resolutions of the board of directors but no such resolution will create any contractual right to the continuation of such compensation for any period of time.

*While it is never appropriate for house corporation board members to be compensated for their volunteer work, this provision in the bylaws gives the directors the ability to do so, should they choose.*

**Article V: Operating Committees**

*This section spells out the committee structure for the house corporation board. It is also appropriate to give the power to the board to create committees without detailing the specific committees and their duties in the bylaws.*

**5.1 Standing Committees**

**5.1.1 Funding and Finance Committee**

The funding and finance committee shall advise the president and the board of directors concerning policies and procedures for obtaining contributions. The funding and finance committee shall take those steps which are necessary or desirable to implement approved policies and procedures within the scope of authority delegated to it by the president and board of directors concerning policies and procedures for the financial management of the assets of the corporation including such matters as budget and investment. The funding and finance committee shall take those steps which are necessary or desirable to implement approved policies and procedures within the scope of authority delegated to it by the board of directors.

**5.1.2 Nominating Committee**

The nominating committee shall submit to the board of directors annually, during the month of August, a list of those persons whom it nominates for election as directors. The nominating committee shall also submit to each regular annual meeting of the board of directors a list of those persons whom it nominates for election as officers of the corporation. The chairman of the nominating committee is appointed by the president.

*If the bylaws specify that tasks must be done in a certain month or by a certain date, then it must be done that way. Another option is to tie the deadline to the annual meeting (e.g., the nominees must be submitted “at least 30 days in advance of the annual meeting”).*

**5.1.3 Scholarship Committee**

The scholarship committee shall make recommendations to the board of directors concerning the awarding of scholarships to students through the Founders Fund.

**5.2 Additional Operating Committees**

Additional operating committees may be created and abolished by the chairman of the board of directors. Such additional operating committees shall discharge such responsibilities as may be assigned to them.

*This language gives the board authority to create additional operating committees.*

**5.3 Appointment**

The chairman of the board of directors shall appoint the members of committees from among the directors, officers, advisors, and friends of the corporation and shall designate a chairman of each such committee. The designated chairman shall appoint a vice chairman and a secretary for his particular committee.

**5.4 Ex Officio Member**

Unless appointed as a member by the chairman of the board of directors, the president shall be an ex officio member of all committees. The president may from time to time appoint one or more additional persons as ex officio members of committees. Ex officio members of committees shall be entitled to all of the rights and privileges of regular committee members but shall not vote or be counted in determining the existence of a quorum.

**5.5 Tenure**

Each member of a committee shall continue as such until the next annual meeting of the board of directors and until his successor is appointed, unless sooner removed.

**5.6 Quorum**

Unless otherwise provided in the resolution of the board of directors approving the appointment of the members of the committee, a majority of the whole committee shall constitute a quorum.

**5.7 Manner of Acting**

1. Formal Action by Committee. The act of a majority of a committee present at a meeting at which a quorum is present shall be the act of the committee.

2. Informal Action by Committee. No action of a committee shall be valid unless taken at a meeting at which a quorum is present except that any action which may be taken at a meeting of a committee may be taken without a meeting if a consent in writing, (setting forth the action), shall be signed by each member of the committee entitled to vote.

**5.8 Removal**

Any member of a committee may be removed by the chairman of the board of directors whenever in his judgment the best interests of the corporation shall be served by such removal.

**5.9 Vacancies**

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

**5.10 Minutes**

The secretary of each committee shall prepare minutes of each meeting and forward copies thereof to the president and the secretary of the corporation.

**5.11 Expenditures**

Any expenditure of corporate funds by a committee shall require prior approval of the board of directors.

**5.12 Procedure**

Each committee may adopt its own rules of procedures which shall not be inconsistent with the terms of its creation and these bylaws.

**Article VI: Contracts, Loans, Checks, Deposits, and Gifts**

**6.1 Contracts**

The board of directors may authorize any officer or agent of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

**6.2 Borrowing**

No loan shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the board of directors. Such authority may be general or confined to specific instances.

**6.3 Checks, Drafts, Etc.**

All checks, drafts, or other orders for the payment or money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the board of directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or such other person or persons as designated by the board of directors.

*The house corporation should follow a dual approval or dual signature process for all checks and payments. The language in your bylaws about receiving and disbursing money should be specific enough to hold board members accountable but general enough to allow the board to use financial management tools such as Billhighway, where funds are collected and deposited automatically.*

**6.4 Deposits**

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

**6.5 Gifts**

The board of directors may accept on behalf of the corporation any contribution, gift, bequest, or device for the general purposes or for any specific purpose of the corporation.

*This allows the board to accept monetary or in-kind gifts on behalf of the corporation. Please note that this does not mean that the gifts are for the benefit of the board members themselves.*

**Article VII: Miscellaneous**

**7.1 Books and Records**

The corporation shall keep correct and complete books and records of account and the minutes of the proceedings of the board of directors and executive committee.

**7.2 Document Retention**

The corporation shall keep documents and records according to this schedule:

* Articles of incorporation: Keep in perpetuity.
* Bylaws: Keep past versions in perpetuity.
* Tax filings: Keep in perpetuity.
* Financial records: Destroy after 7 years.
* Payroll and employment records: Keep in perpetuity.
* Meeting minutes and records: Keep in perpetuity.
* Contracts: Destroy after 7 years after end date of contract.
* Documents related to any legal issues or lawsuits: Keep in perpetuity.
* Other types of documents: Will be retained for a period of time to be determined by the board of directors.

*House corporations required to file the “long form” IRS Form 990 should have a document retention policy in place. The board should review the document retention policy once a year and ensure that documents are being kept and destroyed in compliance with the policy.*

**7.3 Fiscal Year**

The fiscal year of the corporation shall begin on the first day of June of each calendar year and shall end on the last day of May, in accordance with the practices of the General Fraternity.

*This is a best practice that we recommend and makes it easier to use tools like Billhighway. Most chapters use this fiscal year so it makes sense for the house corporation to be on the same fiscal cycle.*

**7.4 Seal**

The board of directors shall provide a corporate seal.

**7.5 Loans to Officers and Directors Prohibited**

No loans shall be made by the corporation to its officers or directors. The directors of the corporation who vote for or assent to the making of a loan to an officer or director of the corporation, and any officer or officers participating in the making of such loan, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

*This prevents individuals from using the assets of the house corporation for their own benefit.*

**7.6 Additional Organizations**

The board of directors, with the approval of the executive committee, may authorize the formation of such auxiliary organizations as would in the judgment of the board assist in the fulfillment of the purposes of the corporation.

*Examples might be a separate alumni association or a parents club.*

**7.7 Rules**

The board of directors may adopt, amend, or repeal rules (not inconsistent with these bylaws) for the management of the internal affairs of the corporation and the governance of its officers, agents, and committees.

**7.8 Conflicts of Interest**

No contract or transaction between this corporation and one or more of its directors or officials, or between this corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers of this corporation, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the board or committee thereof which authorizes the contract or transaction, or solely because his material facts as to his relationship or interest and as to the directors or the committee, and the board or the committee in good faith authorized the contract or transaction by the affirmative votes of a majority of the disinterested directors even though the disinterested directors be less than a quorum; or the contract or transaction is fair as to the corporation as of the time it is authorized, approved, or ratified by the board of directors or a committee thereof duly authorized the contract or transaction.

*House corporations required to file the “long form” IRS Form 990 must have a conflict of interest policy in place. In those instances, the bylaws would simply reflect that the board will establish a conflict of interest policy; the details of that policy would live in a separate document signed by all officers.*

**7.9 Amendments**

These bylaws may be amended by a majority of the directors or by a majority of the members.

**Certificate**

The undersigned secretary of this corporation hereby certifies that the above is a true and correct copy of the bylaws of [name of house corporation] duly adopted by its board of directors on [date].

*This section would be signed by the secretary of the board and affixed with the corporate seal.*