

Section 6 ByLaws

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Bylaws - Adamstown Area Library

ARTICLE I – OFFICES

1. The registered office of the corporation shall be at 110 W Main St, PO Box 356, Adamstown, PA 19501.
2. The corporation may also have offices at such other place as the Board of Trustees may from time to time appoint or the business of the corporation may require.

ARTICLE II – SEAL

The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization, and the words “Corporate Seal, Pennsylvania.”

ARTICLE III – MEMBERS

The corporation, in accordance with its Articles, shall have no members. All rights and responsibilities vested by law in members shall be exercised by the Trustees of the corporation.

ARTICLE IV – TRUSTEES

1. The business and affairs of this corporation shall be managed by its Board of Trustees, composed of not less than five (5) nor more than eleven (11) members. All efforts will be made to have one member from each municipality served by the library.
2. The Board may exercise all such powers of the corporation and do all such lawful acts and things as are by statute or by Articles or by Bylaws directed or required to be exercised or done by the Trustees of a not-for-profit corporation having no members.
3. The regular monthly meetings of the Board of Trustees may be held at such times and at such place within this Commonwealth, or elsewhere, as a majority of the Trustees may from time to time appoint, or as may be designated in the notice calling a special meeting. A majority is needed to go into executive session.

4. Written, email or personal telephone notice of every special meeting of the Board of Trustees shall be given to each member.
5. The annual meeting of the Board of Trustees shall be held during the regularly scheduled monthly meeting in December of each year, when they shall elect new members to fill vacancies created by the expiration of terms, and transact such other business as may properly be brought before the meeting. If the annual meeting shall not be called and held within one (1) month after the designated time, any member may call such a meeting.
6. A simple majority of the trustees in office shall be necessary to constitute a quorum for the transaction of business. Any action which may be taken at a meeting of the trustees may be taken without a meeting of the directors if verbal or consents in writing or email, setting forth the action so taken, is signed by all of the trustees and filed with the Secretary of the corporation.
7. The Board of Trustees may, by resolution adopted by a majority of the trustees in office, establish one or more committees to consist of one or more trustees of the corporation. Any such committee, to the extent provided in the resolution of the Board of Trustees or in the Bylaws, shall have and may exercise all of the powers and authority of the Board of Trustees, except that on such committee shall have any power or authority as to the following:
 - ▶ The filling of vacancies in the Board of Trustees.
 - ▶ The adoption, amendment or repeal of the Bylaws.
 - ▶ The amendment or repeal of any resolution of the Board.
8. Trustees shall serve without compensation for their service as trustees.
9. The Board of Trustees may declare vacant the office of a member if he is declared of unsound mind by an order of the court or is convicted of a felony, or if within 60 days after notice of his selection, he does not accept such office either in writing or by attending a meeting of the Board of Trustees, and fulfill such other requirements of qualifications as the Bylaws by specify.
10. No member of the corporation shall be personally liable for monetary damages for any action taken, or any failure to take action, unless (a) the member has breached or failed to perform the duties of his office under Subchapter B (*512) of the Nonprofit Corporation Law

(relating to standard of care and justifiable reliance); and (b) the breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness.

ARTICLE V - OFFICERS

1. The officers of the corporation shall be chosen by the Board of Directors. A President, Vice-President, Secretary and Treasurer shall be elected at the regularly scheduled monthly meeting in December of each year, hold their offices for a term of one year and perform such duties as are provided by the bylaws and as shall from time to time be prescribed by the Board of Trustees. A director may not hold more than one office at one time.
2. Any officer or agent may be removed by the Board of Trustees when the best interests of the corporation will be served. Such removal shall be based on a two-thirds (2/3) majority vote of the remaining Trustees.
3. The President shall be the chief executive officer of the corporation; shall preside at all meetings of the trustees; shall have general and active management of the affairs of the corporation; and shall see that all orders and resolutions of the Board are carried into effect. The President shall be EX-OFFICIO a member of all committees.
4. The Vice-President shall act in all cases for and as the President in the latter's absence or incapacity and shall perform such other duties as may be required from, time to time.
5. The Secretary shall attend all sessions of the Board and all meetings of the members and act as clerk thereof and record all the votes of the corporation and the minutes of all its transactions in a book to be kept for that purpose. The Secretary shall maintain custody of the corporate seal of the corporation and, when authorized by the Board, affix the same to any instrument requiring it.
6. The Treasurer shall have the custody of the corporate funds and securities and shall oversee the library's financial administration with respect to monetary receipts and disbursements of the corporation. The Treasurer shall render to the President and trustees, at regular meetings of the Board, or whenever they may require it, an account of all transactions and of the financial condition of the corporation. The Treasurer or President or Vice President shall have authority to sign

checks of the corporation. The Treasurer shall give bond to the municipalities, when requested, with satisfactory surety in an amount as the board may determine.

ARTICLE VI – VACANCIES

1. If the office of any officer becomes vacant for any reason, The Board of Trustees may choose a successor or successors, who shall hold office for the unexpired term.
2. Vacancies in the Board of Trustees, including vacancies resulting from an increase in the number of trustees, shall be filled in accordance with ARTICLE IV, paragraph 1.

ARTICLE VII – BOOKS AND RECORDS

1. The corporation shall keep an original or duplicate record of the proceedings (minutes) of the trustees, the original or a copy of its Bylaws, including all amendments thereto to date, certified by the Secretary of the corporation, and a register of the Board of Directors showing names, addresses, and date of elections(s). The corporation shall also keep appropriate, complete, and accurate books or records of account. The records provided for herein shall be kept at either the registered office of the corporation.
2. Every trustee shall, upon written request stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, the register of trustees, books or records of account, and records of the proceedings of the trustees, and make copies or extracts there from. A proper purpose shall mean a purpose reasonable related to the interest of such person as a trustee. In every instance where an attorney or other agent shall be the person who seeks the right to inspection; the request shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of the trustee. The request shall be directed to the corporation at its registered office in this Commonwealth or at its principal place of business.

ARTICLE VIII – TRANSACTION OF BUSINESS

1. The corporation shall make no purchase of real property nor sell, mortgage, lease away or otherwise dispose of its real property, unless authorized by a vote of two-thirds of the Board of Trustees in office.
2. Whenever the lawful activities of the corporation involve the charging of fees or prices for its' services or products, it shall have the right to receive such income and, in so doing, may make an incidental profit. All such incidental profits shall be applied to the maintenance and operation of the lawful activities of the corporation, and in no case shall be divided or distributed in any manner whatsoever among the members, trustees or officers or the corporation.
3. All checks or demands for money and notes of the corporation shall be signed by such officer or officers as the Board of Directors may from time to time designate.

ARTICLE IX – ANNUAL FINANCIAL REPORT

1. The CPA office of record shall annually prepare a report, verified by the President and Treasurer showing in appropriate detail the following:
 - ▶ The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year immediately preceding the date of the report.
 - ▶ The principal changes in assets and liabilities including trust funds, during the year immediately preceding the date of the report.
 - ▶ The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the corporation.
 - ▶ The expenses or disbursements of the corporation for both general and restricted purposes, during the year immediately preceding the date of this report, including separate data with respect to each trust fund held by or for the corporation.
2. The Board shall employ the services of a CPA to prepare tax returns and the annual audit report.

- ▶ The Library Director will complete the administrative section of the annual report to the Commonwealth and work with the Treasurer and Accountant to complete the financial section.
- ▶ The tax returns, audit and the annual report are to be reviewed by the President and Treasurer and signed by on office followed by the title.
- ▶ A copy of the annual audit should then be sent to the Administrator of the Library System of Lancaster County and each of the municipalities in the service area.

ARTICLE X – MISCELLANEOUS PREVISIONS

1. The fiscal year of the corporation shall begin on the first day of January each year, and end on the 31st day of December of each year.
2. One or more persons may participate in a meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

ARTICLE XI – AMENDMENTS

Bylaws may be adopted, amended or repealed by the vote of two-thirds (2/3) of the trustees, at any regular or special meeting duly convened after notice to the members of that purpose.

ARTICLE XII – DISSOLUTION

The corporation may be dissolved by a two-thirds vote of the Trustees. Upon dissolution, all assets shall be transferred to a not-for-profit corporation chosen by two-thirds of the Trustees.

XIII- CERTIFICATE OF SECRETARY

I hereby certify that the foregoing Bylaws were duly adopted by resolution of the Board of Directors of the Adamstown Area Library on November 18, 2015.

Dr. Donald Klein, Secretary

Corporate Seal

Updated on December 14, 2016

Guide to Writing or Rewriting the Bylaws

There is a clear difference between bylaws and board policies. Bylaws define the structure of the organization and policies define the beliefs and philosophy of the board about how the organization will operate. They have separate but equally important purposes in directing the operation of the organization.

In membership organizations, the bylaws take on a little different meaning than in the organization that has only board membership.

Bylaws for a general membership organization are the rules for operation handed from the membership to the elected board. Bylaws are the mechanism for the membership to control the organization.

In the organization that has only the board membership, the bylaws are written and changed by the board. Bylaws are more a matter of consistency to board operations.

In either case, the bylaws tend to be a forgotten element in the nonprofit organization, and are rarely reexamined for current accuracy or for the purpose of telling board and/or members the intended outline for operations of the organization. Bylaws need to be examined and updated annually so they do reflect the operations of the organization and to ensure that board policies are not in conflict with the bylaws.

The following outline serves as a reference describing the general contents of a set of bylaws for a typical nonprofit organization, such as the AAL.

Name of the Organization

Article I – Purpose of the organization

This can be as simple or as lengthy as you like, but short is better. As the organization changes, bylaws are more difficult to change, so keep this section very basic. The statement of purpose is not the mission statement, but is similar.

Article II – Membership

Since AAL does not have a membership other than the Board of Trustees, this section of the bylaws should simply state this fact.

Article III – The board of trustees

The board of trustees is the body responsible and liable for governing the organization. The bylaws must spell out the basics of the board's design and should include:

- The number of board members.
- Eligibility requirements to serve on the board.
- Method of selection of board members.
- Terms of office for board members and a provision for staggering terms.
- Method of filling vacancies on the board.
- Method of removal of board members.
- Officers of the board and a brief description of duties. (Other duties may be spelled out in board policy.

Article IV – Meetings

Many of the board's meeting procedures will be spelled out in board policy. The bylaws should include only the most basic meeting procedures that will not likely change over the years. Bylaws should include:

- A statement of the minimum number of regular board meetings the board must hold each year.
- How board members will be notified of the meeting and the usual order of business at regular meetings.
- Direction about who may call special board meetings and how special board meetings may be called.
- The required number of board members that will constitute a quorum.

Article V – Finance

Finance is so important to the organization that is an item for the bylaws. Bylaws should state that a budget will be prepared by a certain date and presented for board approval. This article should also prescribe the annual audit and if the directors/officers will be bonded.

Article VI – Parliamentary authority

This is a simple statement of the parliamentary procedure reference that will guide the conduct of meetings and serve as final authority in any disputes about parliamentary procedure.

Article VII – Policies

This article should state that the board will establish a set of policies, how they will be adopted and how they may be changed.

Article VIII – Amendments to bylaws

This article spells out the method of altering the bylaws of the organization. Usually a significant amount of notice to board members about intent to change bylaws is required.

Optional items for bylaws:

Many items included in bylaws of the past are today written as board policy and kept out of the bylaws. It should be carefully considered where the board will cover these interests.

- Committees of the board are better placed in board policy than in bylaws so that the board can easily change its committee structure when necessary.
- Indemnification of board members is a common entry in modern bylaws. An item on indemnification attempts to put board member personal assets off-limits to liability litigation for their actions as members of the board. The article might state that the assets of the organization will be exhausted to pay for actions against board members. This one needs legal advice.
- What is to be done with assets if the organization should dissolve?
- Who is authorized to execute contracts, sign checks and manage the funds?
- Will the corporation purchase directors' and officers' liability insurance?

Officer Election Process

The nominating committee presents a slate of officers and new members at the November meeting for election at the December meeting.

- Board members attending in person for elections as well as those participating via video conferencing, conference call or telephone will be allowed to vote for officers. There will be no absentee ballots or proxy voting.
- Officer candidates must have consented to seek office before their name is placed in nomination.
- Nominations will be open for any eligible candidate who has given prior consent.
- Elections will be held only if a quorum is present.
- The method of voting (paper ballot, show of hands, etc.) is to be left to the board's discretion.

Terms of Office

Terms of all officers will be for one year. Only properly elected or appointed members of the board may serve as officers of the board. Each officer may be reelected for consecutive terms to the same office at the discretion of the board.

Vacancies of Office Positions

If a vacancy occurs in any elected office because of resignation, death, ineligibility to hold office or formal removal of an officer by the board, the board will proceed to fill the vacancy at the earliest possible time.

If the vacancy occurs in the president's office, the vice-president will assume the office as soon as the board declares the position vacant. The vice-president will hold the office of president until the board elects a new president.

Other vacancies are filled in the prescribed manner of election of officers in this policy.

Removal of Officers

The AAL Board has the right to remove any officer from that elected position by the same authority that elected the officers. Officers may be removed from office for:

- Gross or willful neglect of the duties of office, including board meeting attendance.
- Misuse of AAL funds.
- Conviction of a felony.
- Intentional lack of public support for the AAL mission, staff or programs.
- Failure to inform the board about issues that might affect board decisions.

Procedure for removal of any office will be a simple majority vote of the board.

Executive Committee

The executive committee will consist of the officers of the AAL Board. This committee will meet as necessary to prepare issues to be presented to the full board and/or to make emergency decisions on behalf of the board when it is not possible to assemble a quorum of the board.

Nomination and Election of Board Members

It is the policy of the AAL Board to nominate and elect to the Board persons who:

- Believe in the cause and mission of the AAL.
- Will participate actively as part of the AAL team.

The nominating committee chairperson will periodically request that Board members and the Director submit Board candidate recommendations for use at the appropriate nomination time. Terms of office and election procedures will be as specified in the AAL bylaws.

Vacancies on the Board

When vacancies occur on the Board, other than normal expiration of terms, the Board of Directors may appoint to fill the vacancies. The appointed Board member may fill the position only until the expiration of the term of the member

being replaced. The appointed Board member is eligible, at the expiration of the term, to be nominated at the next regular election if the Board member meets all requirements. The process for appointment to the Board will be as follows:

- The chairperson of the nominating committee will accept recommendations from the Board and the Board president.
- A list of the nominees will be submitted to all Board members prior to the meeting at which the Board will fill the vacancy(ies).
- Appointment to fill a vacancy will be made only by a majority vote of the Board members present at an official meeting of the Board.
- The nominating committee chairperson will notify the appointed person(s) and the successful appointee will be seated at the next regular Board meeting.

Removal of Board Members

It is the policy of the AAL Board to remove Board members who fail to perform the expected duties of a Board member. A Board member may be removed because of:

- Negligence of Board duties and responsibilities.
- Failure to attend Board meetings regularly.
- Illegal activity as a member of the Board.
- Acting in any manner detrimental to the AAL.

A member of the Board may be removed only by a majority vote of all current service Board members, and the motion to remove will state clearly the cause for removal.

Addendum to the Bylaws

To facilitate a more even rotation of trustee terms of office, a one-year extension will be offered to no more than 2 trustees for the duration of 2018.

Adopted and approved at the regular board meeting of December 13, 2017.