

**Summary of Changes in Bylaws
Proposed for Approval by the Membership April 25, 2014**

The Board of Trustees of Historic Northampton is recommending that the Historic Northampton membership vote to adopt a new set of bylaws that will reflect current practice in the charitable world at large and at Historic Northampton itself. The proposed changes are not amendments to specific clauses in the current 1993 bylaws, but an entirely new document. Both the 1993 bylaws and proposed bylaws are available online at www.historic-northampton.org/bylaws.html, or by request by:

- Calling 413-584-6011
- Emailing mailbox@historic-northampton.org
- Visiting the office at 46 Bridge Street (Wednesday-Saturday, 10-4, Sunday 12-4)

Voting by written proxy (including by email) is permitted through April 25 at 4 p.m.

The most important differences between the old and the new bylaws are as follows:

1. The board of trustees will be elected by the board rather than by the membership, a change which is in line with recommended practice. Lawyers specializing in non-profit law now discourage governing structures in which the membership has governance powers because it can be cumbersome to call a meeting and/or difficult to obtain a quorum, and because the larger membership is less likely to be conversant with the management of a non-profit organization.
2. The bylaws may be amended by the board of trustees rather than by the membership, a change which makes it less cumbersome to update bylaws as changing circumstances may require.
3. The membership will become a supporting group with dues and privileges set from time to time by the board, a structure that is typical in cultural institutions.
4. The size of the board will be limited to 9-15 members rather than 9-25 members. It can be difficult in larger boards to make sure that all board members are actively engaged. A board of 9-15 members is widely accepted as a practical size in the non-profit field. By including a range, the board can grow or contract slightly to match changing needs without having to revise the bylaws.
5. The bylaws now include language explicitly limiting our activities to those appropriate for non-profit public charities. Today such language is often part of a new organization's Articles of Incorporation, but it does not appear in Historic Northampton's organizing document because it was written in 1905 when the tax environment was very different. Therefore we are including the language in the bylaws, which is also acceptable practice.
6. The annual meeting will be defined as a board meeting held in the last month of the fiscal year (currently September) rather than being specified as October or November. The requirement for an October or November meeting was probably made at a time when the fiscal year began in January. Annual meetings should be held just before the start of the fiscal year, and since the fiscal year now begins October 1, requiring the annual meeting to occur later makes no sense.

7. The new bylaws allow the board to take action by unanimous written or emailed votes, recognizing contemporary ways of conducting business.
8. The new bylaws allow the board and committees to conduct meetings by conference call or similar technology as long as every participant can hear and be heard, again reflecting contemporary ways of conducting business.
9. The new bylaws reduce the number of required standing committees from five (executive, nominating, development, program and museum) to three: executive, governance and finance.
 - a. In the old bylaws, the executive committee could theoretically be larger than the entire board, which makes no sense, so it has been redefined to include only the four major officers and the Executive Director, if any.
 - b. Governance is now the widely accepted name for what were formerly nominating committees. This committee is responsible not only for finding new board members but also for ongoing board education and for defining the procedures the board uses to conduct its own business.
 - c. While the board in its entirety carries fiduciary responsibility for the organization, the finance committee takes a leadership role in this area, overseeing internal control procedures, working with the staff to develop the budget and appropriate reports, developing financial plans, and overseeing the audit and any investments.
 - d. Beyond those three, the new bylaws allow the establishment of any committees the board needs to conduct its business. For example, instead of a museum committee responsible for both buildings and grounds and collections, as the 1993 bylaws require, the new bylaws allow us to assign these topics to different committees with appropriately different expertise.
 - e. The old bylaws required all committee positions to be filled only by board members, which means that the board is likely to burn out in periods when the staff is small. The new bylaws allow for the inclusion of non-board members in all committees except executive and governance, so that the work can be spread out and there are opportunities for community members to deepen their involvement with the museum.
10. The new bylaws require that the board maintain conflict of interest and non-discrimination policies. A conflict of interest policy is considered critical by the IRS and the non-profit field as a whole. Non-discrimination policies are often required by granting agencies, sometimes with very specific phrasing. The wording of the policy is not fixed in the bylaws so that it can be more easily updated.
11. The new bylaws give the board the power to remove a board member who misses 3 consecutive meetings on that ground alone. The old language, which “deemed” such a member to have resigned, left the status of such persons uncertain because no clear board action was required. There is no change in the terms of election: board members are elected for 3-year terms, renewable twice for a total of 9 years, after which a year must elapse before serving again.

END of 2-page explanation.