



Constitution & Bylaws

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Reviewed by: LFNP Contributors

Time to Read: 15 minutes

This Fact Sheet provides information about the constitution and bylaws of a non-profit in British Columbia.

To incorporate as a non-profit under the Societies Act, you need two documents: a constitution and bylaws. These documents must be submitted to the Registrar of Companies. In practical terms, the constitution describes the purpose of the non-profit and the bylaws are the rules for its governance. The bylaws can also be thought of as a contract between the members and the non-profit.

Constitution

The constitution lists only the name and purpose(s) of the non-profit. Everything else is in the bylaws. The only exception is that if a non-profit wishes to be a Member Funded Society, a clause needs to appear in its constitution. **Member Funded Society** status is unique and must be considered very carefully.

Do's	Don'ts	Best Practices
Have the name requested, approved, and reserved by the Registrar.	Use certain words in the non-profit's name without the correct approvals e.g., government, municipality, hospital.	Keep the constitution in both a paper and digital format in an official records folder.
Make sure the name is unique, includes a descriptive word, and ends with "society", "association", or "club".	Use purpose statements in the constitution that are inconsistent with the non-profit's intended activities.	Provide a copy of the constitution to each director in a board manual.



The purposes can include agricultural, artistic, benevolent, charitable, educational, environmental, patriotic, philanthropic, political, professional, recreational, religious, scientific, social or sporting purposes.	Put anything else other than the name and purposes in the constitution.	Have the board chair or president review the constitution and bylaws annually with incoming members of the board of directors.
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Bylaws

Bylaws are the rules by which your non-profit operates. These include rules about important matters such as how to become a member, conducting meetings, and elections.

Do's	Don'ts	Best Practices
Address membership i.e., how to become a member, remain in good standing, or lose membership, classes of membership, and how long it lasts.	Have any rules that conflict with the Societies Act.	Bylaws should reflect the nature, character, and operation of the non-profit, its board, and the membership structure.
Provide for the election or appointment of directors and their term.	Include policies governing day-to-day operations.	When in doubt, adopt and modify the model bylaws (see below).
Outline meeting rules such as quorum (default is 3) and whether proxy/alternative methods of voting (electronic) are permitted.	Adopt bylaws of another non-profit without reviewing them and making sure they are a good fit for your non-profit.	When in doubt, adopt and modify the model bylaws (see below).
Stipulate any restrictions on activities of the non-profit.		Use caution in adopting or modifying the bylaws of another non-profit.



Model Bylaws

When a group of people applies to incorporate as a non-profit, model bylaws are provided as an example of a set of bylaws that a non-profit can adopt. A non-profit does not have to use these model bylaws but may find them useful. Non-profits should read the model bylaws carefully and customize them to fit the non-profit’s needs rather than simply adopting them. A non-profit’s bylaws ought to reflect individual non-profits and relations amongst its members.

Many non-profits in BC were set up under the old *Society Act* where the model bylaws were found in Schedule B (before 2016). Today, the model bylaws are found in Schedule 1 of the *Societies Act*, also known as the Model Bylaws, are example bylaws that can be adopted by a non-profit under the *Societies Act*. They are like the Schedule B bylaws in the old *Society Act* with some important changes.

Below is a comparison of the old and new model bylaws and the current requirements of the *Societies Act*:

Topic	Current Schedule 1 Model Bylaws	Former Schedule B Bylaws	Societies Act
Annual Membership Dues	If any, are determined by the board.	Determined at the annual general meeting.	Not required
Membership Standing	A member not in good standing ceases to be a member after six months.	A member not in good standing ceases to be a member after 12 months.	Good standing is not defined
Member Not in Good Standing	A member not in good standing may not vote in a general meeting.	Silent on members not in good standing voting.	
Expulsion of Members	Silent	Sets out rules and procedures for the expulsion of members.	Set out in Act



Scheduling General Meeting	Silent on when a first general meeting must take place.	Sets out rules about when the first general annual meeting must take place.	Set out in Act
Quorum	Quorum for a general meeting is three members or 10% of all members, whichever is greater.	Quorum for a general meeting is three members, or more if determined at a general meeting.	Quorum is three members
Chair	Any member may be appointed to be the chair. Rules about who becomes the chair if none is appointed are similar to the old restrictions.	Restrictions on who may chair a meeting, with the president or vice-president being the default.	Chair is not defined
Notices	A notice of a general meeting must state the nature of any special business in sufficient detail to permit a member to form a reasoned judgement concerning that business.	Silent	Set out in Act
Adjournments	If a meeting is adjourned for more than ten days, notice of the adjourned meeting must be given. If a meeting is adjourned for more than 30 days, notice of the adjourned meeting must be given.	If a meeting is adjourned for more than 10 days, notice of the adjourned meeting must be given.	Set out in Act
Voting	Voting must be by a show of hands, an oral vote, or another method that adequately discloses the intention of the voting members. The chair or two voting members may request voting by secret ballot.	Voting is by a show of hands.	Voting is set out in Act *except secret ballot is not set out in the Act and can be omitted from bylaws



Directors	The non-profit must have no fewer than 3 and no more than 11 directors.	There must be five or more directors or the number of directors may be determined at a general meeting.	Minimum is 3, no maximum
Ceasing to Hold Office	Silent	If a director ceases to hold office, directors must appoint a member to take their place.	Set out in Act
Officers - now known as "Roles"	If a secretary is absent from a meeting, another individual must be appointed to act as secretary in that meeting. The treasurer can make arrangements for other people to conduct their duties.	Rules concerning duties of officers are largely the same, but some differences noted to the right.	Duties set out in Act
Multiple Roles	Any director, other than the President, can hold more than one role.	Rules restricting a single individual from filling multiple officer rules.	As set out in Act
Debentures	Silent	Debentures cannot be used without authorization of special resolution.	No longer required in? the Act
Restricting Borrowing Powers	Silent	Members may, by special resolution, restrict borrowing powers of directors until the next annual general meeting.	Act no longer sets limits



Contracts	Contracts signed by the non-profit must be signed by the president together with one other director. If the president is unable to provide a signature, then contracts must be signed by the vice-president together with one other director. If the president and vice-president are both unable to provide signatures, then contracts must be signed by any two other directors, or by one or more individuals authorized by the Board to sign on behalf of the non-profit.	Silent	Not required in Act
Audit	Silent	Rules concerning auditors under the Act.	Act sets out rules

A non-profit **using the Schedule 1 Model Bylaws** may wish to modify them to:

- ✓ Allow for members' meetings to be held electronically
- ✓ Restricting access to s. 20 (2) records (board minutes and accounting records)

A non-profit **using the old Schedule B bylaws**, may wish to modify them to:

- ✓ Allow for emailing the notice of a members' meeting (AGM/SGM)
- ✓ Remove the debentures limitation
- ✓ Clarify how directors are appointed into roles
- ✓ Remove seal provisions (non-profits do not need to have a seal under the Societies Act)