Bylaws are used **to guide the board's actions and decisions**. They are helpful in preventing or resolving conflict and disagreements. They can protect the organization from potential problems by clearly outlining rules around authority levels, rights, and expectations.

Bylaws generally define things like the group's official name, purpose, requirements for membership, officers' titles, and responsibilities, how offices are to be assigned, how meetings should be conducted, and how often meetings will be held.

Some of the most essential elements that need to be included in a draft bylaw are your organization's name and purpose, information about memberships, the roles and duties of board members, how to handle financial information, and an outline of how to keep the bylaws up to date or amended.

Bylaws define the governing rules of the organization while Policies define the day-to-day operations of the organization.

Think of your nonprofit bylaws as your internal affairs guidebook or your organizational manual. They set out procedures and guidelines for processes such as electing directors, holding meetings, membership structure, and other essential governance matters.

They also help guide the actions and decision-making of the Board of Directors and help prevent and resolve conflicts or disagreements.

They’re an internal legal document and do not need to be filed with the State, but the IRS will ask you to either attest to the fact that they have been adopted or request that you attach a copy to your Form 1023 application when incorporating and applying for the 501(c)(3) exemption.

Bylaws are written for a number of audiences, from IRS examiners to state regulators, lenders, employees, Board members, and donors.

Pro tip: Don’t treat your bylaws as a policy manual – including provisions on employee vacations or the smoking policy. For considerations such as those, it’s more appropriate to create a separate policy manual for management purposes.