Highlights of Proposed Revisions to CAAS Bylaws and Certificate of Incorporation (prepared primarily by David Murphy, Investment Liaison, with some final editing by President John Starks)

In 2013, the State of New York passed the Nonprofit Revitalization Act, the first comprehensive overhaul of non-profit corporate law in more than 40 years. The Act was amended in 2015 and again in 2016. As a New York corporation, CAAS is obligated to bring its Bylaws into compliance with the revised statute, and also wishes to take advantage of favorable provisions added to the law. A Bylaws revision proposed in 2015 failed to be approved by the membership. Subsequently, the Board constituted an ad hoc committee to gather information and propose new Bylaws. Ann Kiernan, an attorney in New Jersey and long-time CAAS member, generously drafted revisions. Ms. Kiernan urged that the revisions be vetted by a New York attorney who specializes in non-profit corporate law. The Executive Committee engaged David Goldstein of Certilman Balin of East Meadow, NY, to draft revised Bylaws in consultation with our officers.

What follows are highlights of some of the significant changes recommended. It is anticipated that the proposed changes will not bring about a substantial change of CAAS’s structure or practice.

Article II, Purpose. (In Bylaws and Certificate of Incorporation.)
New York requires that the Purpose of the corporation be included in its Certificate of Incorporation, but not its Bylaws. But, when the Purpose appears in the Bylaws, as ours currently does, it must align identically with the language in the Certificate of Incorporation – they currently do not. The new clause in the Bylaws helps us to avoid future pitfalls in misalignment between these documents. The proposed new language for the Certificate of Incorporation brings this document into alignment with our longstanding purposes, objectives and activities.

Article IV, Board of Directors.
Section 2: directors must be members of CAAS. Boundaries of the directors’ regions within CAAS are stated in the Regulations. Clarifies that appointed as well as elected directors are full, voting members of the Board.
Section 5: resignation or removal from the Board does not discharge any director from any obligation or duty s/he already had. Requirements for removal of a director made more specific and consistent with the statute.
Section 8: if the number of directors is set at 15 or fewer, a quorum for Board meetings shall be at least one-third of the entire number of directors. The change is needed because current Bylaws set a quorum at nine, too high if the size of the Board is ever substantially reduced.
Section 11: update annual report requirements to comply with mandatory provisions of the statute.

Article V, Officers.
Section 11: remove stipulation that Program Coordinator is subject to supervision of the Board, since that was stipulated of no other officer. The President has supervision over the officers, subject to the control of the Board.
Section 16: calls attention to the Regulations as reference for additional job descriptions.

Article VI, Committees. Distinction between powers of committees of the Board and Committees of the Corporation made explicit. Wording changed extensively to accord with the statute. Board committee powers restricted per the statute, and Committees of the Corporation are only advisory and cannot bind the Board, per the statute.

Article VII, Investments. Clarifies that provisions on investments are subject to our Investment Policy and the statute.

Article X, Parliamentary Authority. We are not restricted to using Robert’s Rules of Order. The statute and CAAS’s governing documents control. Decisions may not be overturned after the fact on the grounds that something in Robert’s (a huge tome) was not observed.

Article XI, Indemnification. Indemnification provisions broadened, updated and clarified.