



# Neighborhood Association How To's

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# Table of Contents

Introduction	1
What is a Neighborhood Association?	1
Active Neighborhood Associations	1
First Steps	2
Organizational Structure Options	3
Bylaws	4
Setting Goals and Making Plans	5
Goal-Setting is a Process	5
A Neighborhood Plan	6
Membership	7
Recruiting Members	8
Recruiting Volunteers	11
Finding New Leaders	13
Holding Great Meetings	14
Six Rules	14
Key Meeting Facts	15
Meeting Mechanics	17
Types of Meetings	19
More Meeting Tips	20
Fund-Raising	21
“Job” Descriptions	22
Board Member	22
President or Chairperson	22
Vice President	23
Secretary	24
Treasurer	25
Other Key Points	26
Ways to Kill Any Organization	26
Why Boards Fail	26
Conclusion	27
Appendix A: Organizational Options	28
Charitable Organization	28
Non-Profit Incorporated Organization	28
Tax Exempt Organization – 501(c)(3)	29
Appendix B: Bylaws	31
Example 1: Bylaws Outline	31
Example 2: Generic Bylaws	32

This booklet summarizes what you need to know about starting your own neighborhood association. There are helpful hints on recruiting, holding meetings, and lots more. There are also examples of various documents that may help you in perfecting your own ideas. We hope this booklet gives you the tools you need to develop a strong and active neighborhood association.

## What is a Neighborhood Association?

A neighborhood association is a group of neighbors who get together, share ideas and work cooperatively to make their neighborhood a better place to live. For the purposes of this booklet, membership in a neighborhood association is voluntary and open to anyone who lives in the area.

Voluntary, open membership makes neighborhood associations different from homeowners organizations. Homeowners organizations require homeowners to be members as a part of a covenant included in their purchase agreement. Non-homeowners in the area (renters or leasers, for example) are excluded. Usually a homeowners organization is set up by the subdivision developer to provide maintenance fees for commons areas. No matter what an organization is named, it's how the organization functions that determines what it is. This booklet focuses on neighborhood associations, but some of the material may also be useful to homeowners organizations.

## Active Neighborhood Associations

To find out where Lincoln's current, active neighborhood associations are, you can:

- check the Neighborhood / Homeowner Association Interactive GIS map on the City's website:  
[http://lincoln.ne.gov/gis/gisviewer/index.html?config=apps/ncs-hoa-na.xml&extent=4376,72521,336733,297782,](http://lincoln.ne.gov/gis/gisviewer/index.html?config=apps/ncs-hoa-na.xml&extent=4376,72521,336733,297782)
- call the City Urban Development Department at 402-441-7852.

If there's already an active neighborhood association in your area, consider joining it. New members with an active interest in the neighborhood are valuable resources for existing neighborhood associations. If the neighborhood association isn't currently focused on your concern, raise the subject and get discussion rolling. Listen to other concerns, get involved in neighborhood activities, and get your neighbors involved. The result will be a stronger neighborhood association.

## First Steps

You've checked and there isn't a neighborhood association in your area. You still think it would be a good idea to have one. As you begin thinking about starting a neighborhood association, discuss it with other people who might want to be involved. The more people involved, the more resources the neighborhood association will have – in the form of leaders, experts and volunteers.

Recruit a handful of people – a temporary committee – to get the word out about the idea of having a neighborhood association. Besides the contacts you may already have, the following list includes some organizations and places that the temporary committee may want to contact. Don't limit yourselves to the list; include the organizations and places that make your neighborhood unique and include people who represent the area's diversity of age, occupation, race and ethnicity, etc.

- Schools (elementary, middle and high)
  - Parent Teacher Association or Organization
  - Principal
- Churches
  - Board
  - Minister
  - Groups (women's, youth, etc.)
- Scout Group Leaders
- Lodges and Fraternal Organizations
- Local business people (including home-based businesses, like beauty shops)
- Labor organizations
- Local professional people (doctors, CPA's, real estate agents, etc.)
- Ethnic organizations
- Local politicians (successful or unsuccessful, they might be able to introduce you to people who have worked on their campaigns)
- Long-time residents (people with a sense of the area's history)
- Parents of your children's friends
- Child care providers
- Neighbors
- Newspaper editors

Invite everyone you contact to an open meeting to discuss the idea of a neighborhood association; for example, hold a picnic in a park, a meeting at a library or school, or even a coffee at your house. The location will depend on how many are invited to attend. Just by getting to know each other better, the neighborhood benefits.

If there is support for starting a neighborhood association, the next step is to figure out what its general purpose will be. Will it mainly coordinate existing neighborhood activities? Will it be an action group dealing with urgent issues? Or both? And how will the organization work? The purpose of your neighborhood association will help determine how you want it organized.



## Organizational Structure Options

There's a spectrum of possibilities for how your neighborhood association can be organized. The type of organization that will work best for your group will depend on the role of the group and the resources available. There are three basic organizational models that your neighborhood can choose from:

- 1. Charitable Organization:** This is the simplest and least structured model and there is a range of possibilities within it. For example, a charitable organization can choose to have bylaws to help with continuity and process, even though bylaws aren't a required part of this model.
- 2. Non-Profit Incorporated Organization:** This option involves more structure and paperwork, but that may be necessary if your neighborhood association will need to be recognized as a legal entity which can sign contracts or own property.
- 3. Tax-Exempt Organization:** This is the most structured organizational model. If your neighborhood association expects to have significant earnings that may be taxable or if you want donations to the neighborhood association to be tax exempt, this will be how you will want to organize.

More information about each of these options is available in Appendix A, which is a summary drawn from *"How to Create a Nonprofit Organization in Nebraska"* by the Funders' Group of Lincoln and Lancaster County. It's also worth remembering that the organizational structure that works for your neighborhood now may change in the future. Neighborhood organizations change over time as they grow, mature and respond to the needs and desires of their members.

Should you have bylaws or not? What are bylaws? Basically, bylaws tell you who should do what and how. They establish the structure of your neighborhood association "in black and white" and provide consistent, ongoing guidelines through changing leadership over time. Bylaws should be firm enough to give your neighborhood association guidance when a question arises, but flexible enough so your hands are not tied. By-laws can and should be amended if there are problems living with them.

Your neighborhood association's bylaws should be shaped and written specifically for your group. Another organization's bylaws may look very good, but their situation may be very different than yours. Using the following points and the outline and "generic" example in Appendix B, you can create a rough framework and then fill in your own details. You may even want to review them with a lawyer.

### **Points to Include in Bylaws:**

1. Name of Organization
2. Boundaries [*try to name specific streets or natural boundaries*]
3. Purpose [*can be as general or as specific as the neighborhood wants*]
4. Membership
  - a. Who is a member?
  - b. Will each person have a vote, or each household?
  - c. Privileges and responsibilities of membership, if any?
5. Dues\*
  - a. How much? [*you can specify no dues*]
  - b. When payable? [*annually, bi-annually, etc.*]
  - c. Per household or person?
6. Fiscal Year\* [*beginning date and ending date*]
7. Meetings
  - a. Annual meeting date
  - b. Dates or frequency of general membership meetings
  - c. Notice of meetings
8. Board of Directors
  - a. Number [*can be flexible*]
  - b. Date and manner of election
  - c. Term of office
  - d. Filling vacancies
  - e. Removal of directors
  - f. Meetings and quorum
9. Officers
  - a. Number of positions
  - b. Duties
  - c. Term of office
  - d. Manner of election
10. Standing Committees\*
  - a. Manner of creation
  - b. Duties
  - c. Composition
11. Parliamentary Authority\* [*usually Robert's Rules of Order*]
  - a. Amendments to Bylaws
  - b. Amended at regular, annual or board meetings
  - c. Size of majority needed to amend
  - d. Notice of bylaw changes needed

**\*Optional items**

## Setting Goals and Making Plans

Setting goals and making plans aren't just for brand new neighborhood associations. Periodic goal-setting keeps an organization responsive to changing neighborhood needs and a neighborhood plan can help accomplish the goals set by the neighborhood.

### Goal-Setting is a Process

The goal-setting process that your neighborhood association uses will be unique because your group is unique. In its most basic form, goal-setting is a discussion among persons representative of your neighborhood (ethnic, occupational, age, etc.) about your neighborhood's needs and ideas on how to address those needs. Whatever the process used, it should enhance participation and build consensus while providing enough structure that effective discussion and results occur.

Most goal-setting processes start with the "big picture" and work down to the details. To give you an idea of what can be involved, a common type of goal-setting process is described below. It encourages a high level of participation by using small groups (up to 8 people), some basic rules, referees and a facilitator. The referees primarily keep discussion from bogging down in details too early in the process and prevent domination of the discussion by a few individuals. The facilitator ensures an open flow of ideas, helps clarify and summarize points, and generally keeps the group on track. The process occurs in stages, each building on the previous stage.

**Set Up Your Targets:** The group identifies broad areas of community concern such as education, land use, etc. It is useful to write these on a chalk board or paper so everyone can see them.

**Prioritize:** Next, the group names "burning" community issues that fall within the broad concerns. Now the group can narrow their focus to just a few issues. It's often helpful to point out how issues are inter-connected (i.e., housing stock might suffer because of a school closing or a street widening).

**Define:** Before the task of goal-setting, be sure to define the difference between goals, objectives and tasks. Goals are broad statements of purpose and objectives are more specific statements of purpose. Both goals and objectives should be measurable. Tasks are the actions undertaken to achieve the goals and objectives. For example, a goal could be improvement of landscaping in the neighborhood park, an objective could be replacement of old landscaping around the playground in the park and a task could be planting new shrubs and perennial flowers around the playground.

**Listing Goals:** Next, the group breaks into small groups, each appointing a moderator and a referee. Each small group will list 2 or 3 goals for each broad concern. To encourage greater participation, each person should write down their ideas (on 3x5 cards, for example) to share within their small group.

**Prioritize Groups' Goals:** Now, the moderator will present his/her small group's goals to the large assembly. The facilitator will help clarify goals if necessary and the assembly can vote for the top 3 or 4 goals for each broad concern.

**Developing Objectives:** Each small group will be assigned to a broad concern (education, zoning, etc.) with its top 3 or 4 goals. Each member of the small group will be given the opportunity to present 3 objectives relating to the goals and to justify them. Each group should end up with no more than 2 or 3 objectives per goal.

**Prioritize Groups' Objectives:** Each small group moderator presents the objectives developed in his/her group to the large assembly. The facilitator helps clarify the objectives if necessary. The whole group assigns priority levels to the suggested objectives, ranging from high (critical) to low (not a

factor). For the higher priority objectives, the small group process is used again to develop and list group tasks that will lead to accomplishment of the group's goals and objectives.

***Developing and Prioritizing Tasks:*** Once again the small groups and the group as a whole work together to identify and prioritize tasks that will accomplish the goals and objectives. When deciding what to do and when, the group needs to evaluate the resources available – time, money, and energy.

No matter what goal-setting process your neighborhood uses, it is important to stay flexible. Issues, resources and membership can and will change. To be a responsive neighborhood association, you will need to reflect those changes in your tasks, objectives and goals.

## **A Neighborhood Plan**

A neighborhood plan is a written guideline for officers and board members of the "how to" for accomplishing the tasks identified by the neighborhood association. A written neighborhood plan can help focus the group's efforts, from board-level decision making to the specific job assignments given to volunteers. By providing clear milestones on the way towards achieving the group's goals, it can encourage continuing efforts.

An annual neighborhood plan should be based on goals and objectives identified by the group. If the whole group has developed and prioritized tasks in the goal setting process, developing the annual projects and programs will be easy. If the goal setting process didn't get to that level of detail, specific projects and programs can be developed by the president/chair and the officers/board.

The president/chair should evaluate progress toward completing the annual plan quarterly and seasonally. Based on this evaluation, the calendar of activities can be projected for the next three or four months.





## Membership

Okay, your neighborhood association has organized and has worked out some goals and objectives. As it begins its activities, one of your neighborhood association's most valuable resources is its membership. How many members does a neighborhood association really need?

Neighborhood associations don't need 100% of the area's population to be members. Most groups have learned from experience that members will be either active or non-active. Jerry Cronin, of Independent Consultants of Arkansas, further divides members into four categories:

- Workers** People who contribute their time and energy. You do not need everyone to be a worker, so you need to figure out approximately how many workers you need, based on your activities.
- Supporters** People who pay their dues and maybe contribute a little more, but do not attend meetings or contribute their time.
- Beneficiaries** People who don't pay dues, do not get involved, but reap the benefits of the association's good works. As hard as it is to accept, you need this type of member as well.
- Detractors** These are the people you probably could do without. They are the ones that do not like the neighborhood group. Sometimes they will actively oppose neighborhood association activities or spread rumors about the association.

How can a neighborhood association recruit active members, especially workers and supporters? First, you – the neighborhood association – should have a clear vision of your purpose and goals. You need to know what you are going to ask members to do. Make a list of tasks so when you recruit new members, they will know exactly what is expected of them. If they don't want to/can't work, they can contribute cash (dues) or in-kind materials and still be an appreciated member.

What are the benefits of being a member? Cronin says "a good feeling" isn't enough to keep people active in a neighborhood association from year to year. Make a list of what a member could possibly get with their annual dues and participation. For example:

- Newsletter
- Discounts at local hardware and paint stores
- Personal recognition at the annual meeting
- Thank you gifts
- Thank you article in a newsletter
- Free t-shirt, mug or pencil
- Certificate/Good Volunteer Award

For the existing neighborhood association needing new members, Jerry Cronin suggests surveying non-members and asking them why they are not involved. Listen to the answers and try to adjust the expectations and benefits of membership in response.



Cronin includes these tips for encouraging and retaining membership:

1. Don't expect all members to attend board meetings - that is why there is a board.
2. Have interesting meetings; they should include information-sharing and skill-building. They can even include activities that are fun!
3. Focus recruitment efforts toward the types of people you need to recruit (i.e., old or young, minorities or white, families or singles, people with useful skills, etc.).
4. Leaders need to be accessible and responsive to the wishes and needs of members.
5. Solve neighborhood problems by listing all the various solutions and working out a consensus for action.

## Recruiting Members

Recruiting – and keeping – members is an ongoing concern for all voluntary organizations, including neighborhood associations. These are some methods other neighborhoods have used.

- **Door-to-Door:** hand out brochures and make personal contact with residents through block captains or recruitment committee members,
- **Posters and Brochures:** place recruitment posters/brochures at libraries, bus stops, schools, churches, laundromats, and other local businesses,
- **Convenience:** mail a membership brochure to all neighborhood residents, provide membership forms and information in your newsletter and/or on your web page,
- **Have a Purpose:** have a project or cause of immediate interest to potential members, a "hot" current issue, a neighborhood needs survey or some other useful information,
- **Membership Perks:** keep membership fees low, provide coupons to local businesses, have interesting and lively meetings,
- **Group Identity:** sell neighborhood t-shirts and stickers for display,
- **Community Visibility:** use your newsletter and/or web page to announce the group's accomplishments and recognize volunteers, write your own press releases for the media or develop a good relationship with a reporter,
- **Community Connections:** build working relationships with other neighborhood groups – like Crime Watch, a local business group or parent teacher organization,
- **Competition:** have a contest to see who can recruit the most new members,
- **Promotion:** have membership tables at other events – fairs, parades, sidewalk sales, church socials, etc., and
- **Have Fun:** have a party and invite the whole neighborhood, socialize and have snacks after meetings, do a hands-on project and invite non-members to participate.

## Brochures and Web Sites

One of the common features in the preceding lists was a flyer or brochure. A key to recruiting new members is communicating what your organization is about. Brochures and web sites are important ways of getting that information to your potential members and the community as a whole. Think of all the times your neighborhood association will sponsor or participate in an event. Think of all the people who search for information on the internet.

Your neighborhood association can use informational materials to "sell itself" to potential members. Your neighborhood association's brochure, web page and/or display should include answers to these questions:

- What does the organization do?
- Who does it help or serve?
- Where is it and what geographical area does it serve? Include a map.
- Who is eligible for membership?
- When and where are the meetings?
- Why are the group's activities important?
- How is it funded? Describe membership and donation opportunities.
- How can someone get involved? List committees.
- How can the group be contacted? Include the name, address, phone number and email address of your membership chairperson.

- Events to Participate in:**
- Ethnic food/entertainment festivals
  - Annual neighborhood association meetings
  - Home tours planned for your area
  - Bake sales, flea markets, garage sales
  - Block parties and picnics
  - General membership meetings
  - PTA events
  - Neighborhood church events
  - Candidates' forums
  - Spring cleanups

These vital questions should be answered briefly – in one or two sentences. Both the brochure and the web site should include a membership form that potential members can fill out and return. (*See sample, below.*)

YES, I would like to become a member of the \_\_\_\_\_ Neighborhood Association. Enclosed is my membership contribution of:

<input type="checkbox"/> \$1 (student/low income)	<input type="checkbox"/> \$25 (business member)
<input type="checkbox"/> \$5 (individual member)	<input type="checkbox"/> \$50 (sustaining member)
<input type="checkbox"/> \$10 (family membership)	<input type="checkbox"/> \$100 (special friend)

YES, I would like to help do my part in one or more of these activities:

<input type="checkbox"/> Spring Clean Up	<input type="checkbox"/> Testify at Public Meetings
<input type="checkbox"/> Future Board Member	<input type="checkbox"/> Install Park Equipment
<input type="checkbox"/> Annual Fund Raiser	<input type="checkbox"/> Deliver Newsletters
<input type="checkbox"/> Bake Sales	<input type="checkbox"/> Other

\_\_\_\_\_

**First Personal Contact with a Potential Member:**

When you personally contact a potential member, your own enthusiasm and pride can help convey the advantages of joining. Here’s one way to organize your thoughts when you approach a potential new member. You can customize this table with your own list of introduction facts and pointers.

<b>Introduction Facts</b>	<b>Pointers to Watch</b>
I came to see you today because we want you to be a member of _____ organization. We feel that you would be a very valuable member and would enjoy belonging.	Importance of Person
As you may know, the purpose of our organization is to _____. During the past year our program included _____.	Scope of Program One’s Experience in the Organization
We feel that our organization is successful because we have accomplished _____. There is a lot to do in our organization and we enjoy working with each other. We have a good time and accomplish a great deal.	Worthwhile Cause
This pamphlet tells you more about our aims and goals, what we have accomplished in the past, and about our dues. I think you will be interested in reading it, and hope you will decide to join.	Materials to Read
I’d like to have you go to the next meeting with me. You can see then what we do, and have a chance to talk with other members. I will call you in a few days.	Leadership and Other Members Follow-up



# Recruiting Volunteers

Volunteers are the life blood of any neighborhood association. And even when people are dues-paying members, it's often difficult to get them to volunteer their time as well. To commit time, the value of the result has to be very important to the potential volunteer. That's one important reason to stay in touch with the interests and needs of neighborhood residents. Of course, volunteers don't have to be members to participate, so don't limit volunteer recruitment to dues-paying members.

## **1. How do I get people to do a job?**

Ask them. Few people will volunteer their services. This does not mean that they don't want to be active, however. People wait to be asked. Asking builds activity.

## **2. Who should ask them?**

If possible, someone they know and trust; someone to whose influence they respond; a friend, a neighbor, a worker in the same department, a person with prestige in the union. If you cannot arrange that, do it yourself. Remember that the act of asking is itself important. After this has been done, be sure that the leader of the group welcomes the new recruit she or he will work with.

## **3. What do I tell them?**

- **Make clear what job you are asking them to do.** The job should have a definite beginning and ending. People don't want to sign up for life, so don't ask them to over-commit themselves.
- **Ask people to do things they can do well.** People are more willing to begin things they know how to do. Later, when they are really a part of your group, they will be more willing to try new things.
- **Tell each person how their job fits in with the rest.** People want to understand things that they are a part of, and they work best when they know that others are depending on them.
- **Let each person know that their help is needed.** If she or he feels that you are "looking for people" she or he will also feel easily replaceable and less responsible for doing a job.
- **Discuss their own goals and how they fit into those of the organization.** People have their own reasons for volunteering, and you need to know them to lead effectively. Also, you must help people keep their expectations realistic. If their expectations of the neighborhood association can't be met, your group will become a source of disappointment rather than fulfillment.
- **Ask what they would like to know, and give them plenty of time and help in raising questions.** Many people are reluctant to ask questions, but they will work better after they have done so.
- **Do these things in person.** Do not rely on printed circulars, letters, phone calls or email. There is no substitute for talking face-to-face. It lets the person know that you consider the discussion important, and it gives you a chance to get acquainted with them.

## More Tips for Recruiting Volunteers

Some of these suggestions overlap the previous list, but this set of tips takes a slightly different angle.

- Divide projects into separate committees. If your group is doing more than one self-help project, have separate committees coordinate volunteers.
- Write job descriptions for volunteers. What do you want the volunteer to do? When? Where? How long will it take? Will they need to bring their own tools and/or equipment?
- Ask residents what they want to do. In your winter newsletter list all the projects/programs your group plans to do in the next year. Ask residents to check the ones they will work on and have them return the form. Know how many volunteers you need.
- No forms returned? Call them. Call the residents who have had some kind of contact with your organization in the past 3-5 years. Did they get the newsletter? Will they promise to help?
- Be sure to tell potential volunteers how they will be recognized if they volunteer.
- Tell people how the project will benefit them and the entire community.



## Finding New Leaders

Once your neighborhood association has been up and running for a while, the group should think about how to find and encourage new leadership within the organization. If the group stays with the same leadership year after year, there is a very real risk of “burning out” those leaders. This is hard on the tired leaders and it is hard on the organization. Although nurturing new leaders takes time and effort, the results are worth it – a healthy organization with leaders who are fresh and enthusiastic.

The first place to look for names of potential officers and/or board members is within your association’s membership. To do that, the group needs to know something about the members, especially those who are also volunteers. Having an organized system of tracking volunteers is a useful approach. Sign-in sheets, 3x5 biography cards, volunteer time slips and a computer spreadsheet are all useful for tracking those neighbors who are showing active involvement.

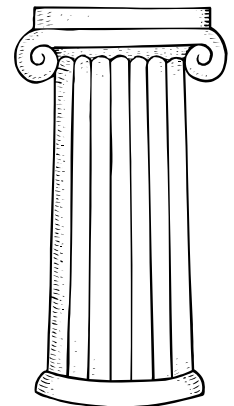
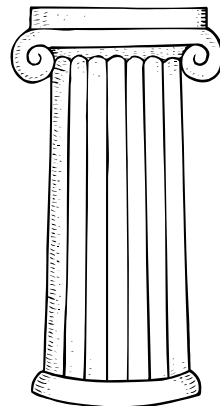
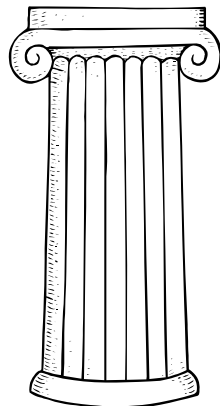
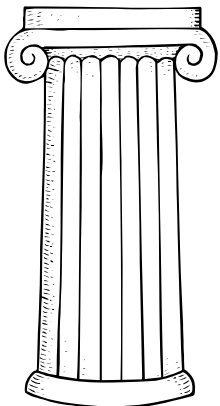
Another approach is to survey the paid membership. Members of a “leadership committee” can divide up the membership list, directly contact members, and ask them:

- Why did you join the neighborhood association?
- What projects might you want to participate in?
- Would you ever be interested in serving on the board of directors or as an officer?

Many organizations have a vice-president elect, allowing that officer to observe the president for a year. Other groups personally approach residents asking them if they want to serve as a board member or future officer. As new people move into the area, either an individual board member or a group can form a “welcoming committee.” Much like the Welcome Wagon concept, the committee may want to give the new resident samples of neighborhood newsletters, brochures or even coupons to local businesses.

One neighborhood organization keeps track of all volunteers on 3x5 cards that include name, address, phone (work and home), email address, the first year active, interests and concerns in the neighborhood and projects involved in. This method would work on a spread sheet or data base as well. Whatever technology used, it requires someone to consistently collect names at each neighborhood activity and to record the information for future use.

You can also collect the names of residents who have received services from your neighborhood. Who has had alleys graveled, homes painted, sidewalks repaired, garbage hauled away, or a new street tree planted? If you remind them what your group has done for them, perhaps they may feel the need to return the favor.



# Holding Great Meetings

Successful meetings can build an organization, poor meetings can erode even the best organization. This section is full of good ideas for holding great meetings.

## Six Rules

### ***Rule Number One: Time Is Everyone's Most Valuable Commodity.***

- If you waste people's time with dull, extended, unnecessary, and unproductive meetings, they will resent you doubly: first for wasting their time; second, for taking them away from what they now wish they had done instead of coming to the meeting.
- Always ask yourself: Is this meeting necessary? Is this topic necessary?

### ***Rule Number Two: The Reason to Hold a Meeting Is to Plan Action.***

- The program of your meeting should consist of action, not meetings. It is very easy to slip into the opposite—a program of meetings, not action.
- If your bylaws say one meeting a month, then you need to have one activity at least once every two months or people will stop coming to your meetings.
- If you substitute educational programs at your meetings for planning action, you will attract a different kind of membership (which will make it hard for the organization to get back into action).
- Sometimes meetings are combined with action as with candidates' nights, meetings at which public officials respond to the organization's demands, and mass community protest meetings.

### ***Rule Number Three: Pre-plan the Meeting as Carefully as You Would If You Were Putting on a Play.***

- Remind people to come. Don't rely on mailings or a phone call a week or two before. Call all active members starting three nights before the meeting. Have as many people as possible make the calls (they will convince themselves to come).
- Remind each member of the date, time, and place. Tell them why the meeting is important in terms of the issue the group is working on, and mention the main decision that will be made at the meeting.
- Determine who needs help with transportation. Ask each person directly, "Can you come?" Then say, "Good, I will look forward to seeing you there."
- Always plan for fewer people than you expect. Empty chairs are demoralizing. Having to get more chairs is a victory in itself.
- Consult with as many participants as possible beforehand. Find out their concerns. Let them know what fits or does not fit into the purpose of the meeting. Prepare them. Organize them and get opinions.
- Delegate meeting tasks beforehand. This includes everything from making reports to making coffee. This helps to guarantee the attendance of the people with assignments and makes you, the organizer, seem less central.
- Have assignments in mind to give to specific participants at the meeting. Ask them beforehand if they will accept.

### ***Rule Number Four: Have a Printed Agenda***

- Limit the number of items to four or five.
- Limit the total length of the meeting to two hours — tops.



- Put a suggested time limit on the agenda for each item.
- Decide beforehand what agenda item will generate the most enthusiasm and use its place in the agenda effectively.
- Have proposals for each part of the meeting thought out in advance. Never pose a question to the group if you have no idea what the answer is.
- Have a period for open discussion at the end of the meeting. This is the time for announcements and items that are not central to the point of the meeting. Limit this time so that the meeting does not dribble away at the end. After the discussion period the chair should review everything decided at the meeting and then formally close the meeting.

***Rule Number Five: Have a Chairperson***

- The chair is the leader for the meeting. More than just a moderator, the chair has the responsibility for moving the meeting ahead, encouraging participation, and getting the agenda accomplished.
- The chair should be briefed on each agenda item, and what kind of decision needs to be made.

***Rule Number Six: Have Well-Thought Out Alternatives for the Membership to Choose From.***

- It is more effective to develop alternatives to which a group can respond. In the discussion phase, it is easier to revise an existing alternative than to create one from nothing.
- In a democratically run meeting, both the majority and the minority have rights on any particular issue. The minority has the right to make their views heard. The majority has the right to end the debate and move along to a decision, provided that they have enough support as stated in the bylaws – often two-thirds of the group.
- Once all views have been heard, vote. Do not to let the meeting drag on.
- If a small majority makes a major decision, it was probably the wrong decision and will split the group. It is often wise for the majority to say that unity is more important than winning on a particular point.
- It is helpful to have some minimal rules (i.e., Robert’s Rules of Order) for the conduct of regular business meetings. These should be distributed to all. They help new people figure out how to participate.

**Key Meeting Facts**

***Things to Be Accomplished at a Meeting:***

- Make decisions to start an action program.
- Disseminate information. This can also be done outside a meeting: networks, newsletters, written reports, and email can be very useful.
- Identify willing volunteers and divide the group’s workload.
- Develop new ideas and insights.
- Build organizational morale by demonstrating to each participant the support of others.

***Conducting the Meeting:***

- Review the purpose of the meeting after introducing and welcoming new people. Remind the members what has happened since the last meeting and what decisions have to be considered at this one. This short unifying keynote can be made by the chair or another officer.
- Distribute the agenda and ask for suggestions or changes.

- Where there are different points of view on what the group should be doing, set aside five or ten minutes of open discussion during which no motions are made and no votes are taken.
- Keep the tone upbeat. If differences can't be settled in a positive way, put off deciding and work things out later.
- Thank everyone who worked for the organization since the last meeting.
- Everyone should leave the meeting with something to do, even if it is only a leaflet to give out or a sign to put in a store window.
- At the end of the meeting the chair summarizes the major points and reviews the assignments which have been made.

***Role of the Planning Committee or Floor Team:***

The floor team is a group of three or four people, usually the other officers of the organization, who have special responsibility during the meetings. Responsibilities of the floor team include:

- Supporting the chair.
- Providing enthusiasm – starting applause where appropriate, giving support to good ideas, etc.
- Continually assessing what needs to be done to move things along, provoking discussion, drawing out members, helping the chair, etc.
- Participating in discussion.
- Calling for votes when the meeting drags.
- Responding to off-the-wall remarks (but don't dwell on them—avoid overkill).
- Assessing how people are feeling and being prepared to intervene to clarify issues, calling for more discussion if necessary.
- Meeting new members and making them feel welcome.
- Helping with physical arrangements, being prepared to get more chairs, open windows, answer the phone, etc.
- Circulating afterward to get opinion on the meeting.
- Going out after the meeting with new members or people who need to be talked with.

***After the Meeting:***

- The officers and staff should follow up on all assignments before the next meeting. At the next meeting a report should be made on the outcome of the decisions and assignments of the previous meeting.
- Call active members who missed the meeting and fill them in.
- Call the chair and other people who played a major role and congratulate them.

## Meeting Mechanics

### ***Suggested Basic Agenda***

- Call to order.
- Roll call (if any).
- Greetings from the president (opening remarks, welcome, welcome to special guests, etc.).
- Approval of minutes.
- Reports of officers (Treasurer's report, etc.).
- Communications not requiring action (letters, thank-you notes, etc.).
- Reports of any associate organizations ("Your Neighborhood" Housing Corporation, "Your Neighborhood" Council, etc.).
- Reports of special committees.
- Old business (business unfinished at close of last meeting).
- New business (motions, announcements, etc.).
- Programs (program chair introduces guest speakers, etc.).
- Adjournment.

### ***Some Basic Parliamentary Procedures***

For a complete description of parliamentary procedures, you can refer to a copy of ***Robert's Rules of Order***. It is available at libraries, bookstores, or via the internet at: <http://www.robertsrules.com/>. The following summary covers two of the most commonly used procedures -- main motions and basic rules for debate.

Basic Process for a Main Motion or Resolution:

- A member secures the floor. Member rises, addresses the chair, (gives name in large assembly) and is recognized by the chair.
- A member introduces business. Member makes a motion ("I move"), another member seconds the motion, and the chair (presiding officer) states the motion, which opens the question presented to discussion.
- The chair puts the question. Chair takes the affirmative vote and the negative vote, and must announce the result (carried or lost).

Basic Rules of Debate:

- Each member is entitled to speak once to a question, sometimes twice or more often, if there is no objection.
- Members indulge no personalities, avoid reference by name.
- Members always make inquiries through the chair.
- Maker of motion has privilege of opening and closing debate.
- Chair must remain strictly neutral and must leave the chair (calling the vice president to preside) to debate and does not return to the chair until the pending question is voted upon.

## ***Voting – Types and Methods***

### Types of Votes

- Majority – a number greater than half the votes cast.
- Plurality – in a contest of more than two alternatives, the number of votes cast for the winning alternative if it is not a simple majority.
- 2/3 Vote – 2/3 of the votes cast. To determine a 2/3 vote quickly, double the negative vote cast, and if equal to or less the affirmative vote cast, a 2/3 vote has been cast.
- Tie Vote – same number for and against, motion is lost.

### Methods of Voting

- Voice Vote: “Aye and No” – for majority vote.
- Show of Hands: “Affirmative and Negative” for small groups.
- Rising Vote: “Affirmative and Negative” for 2/3 vote.
- Roll Call – checks attendance as well as vote
- Ballot – assures each voter’s secrecy.
- Secretary to cast on ballot – only if authorized in by laws
- By Mail or Proxy – only if authorized in bylaws
- By General Consent – for routine decisions, for example, the Chair states, “If there is no objection, we will . . . , etc.”

## ***Reports***

Reports are a necessary part of any meeting. Through reports an organization knows if it is functioning properly and being informed about all progress and activity. A report is a concise statement of activities done during a given period. A good report should include:

- Name of activity;
- Summary of accomplishments;
- Description of methods, if useful . . . and then only briefly and in general terms;
- Announcements of future activities . . . project ideas for next period, etc.

### **Good Reports:**

- are limited to essential information.
- are brief and factual.

### **Bad Reports:**

- take extra time.
- give personal opinion.
- deliver a “homily.”

Any special information that a committee feels is of interest to the chairperson, but is not part of the body of a report, should be written on a separate sheet of paper and given to the chairperson.

## ***Records***

A record is an itemized list of your activities, meetings you have attended, groups you have addressed, letters written, etc. These are not part of the report. However, it is proper to list them, if you care to, on the reverse side of your report or on a separate sheet, showing that it is a record. Records are not read at the meeting, but are filed for future reference so that information of the organization’s activities may be complete.

## **Types of Meetings**

### ***Business Meeting***

Major Responsibilities of Officers:

1. To initiate items or proposals for the members to consider; to bring before the group matters on which they may wish to take action. Frequently, if members are informed ahead of time of the tentative agenda and proposals they will be more equipped to intelligently participate.
2. To facilitate the deliberations and actions of the group; to make it easier for them to conduct the business which has brought them together.
  - a. Follow an agenda.
  - b. Know your parliamentary procedure.
  - c. Use the secretary as a resource.
  - d. Orient and guide the group in the conduct of their business.
  - e. Encourage and bring about a free and complete discussion of matters brought before the meeting.
  - f. Act as a consensus builder when debate waxes a little too warm.
  - g. Summarize, clarify, and restate motions made and considered by the group before voting.

### ***Round Table Discussion***

The Leader or Facilitator:

- Helps the group get acquainted.
- States the problem or helps the group state it.
- Stimulates and directs the discussion.
- Promotes participation by all members.
- Encourages the timid soul; discourages the monopolizer.
- Summarizes when necessary.
- Brings the group to a conclusion and to a plan of action.

### ***Brainstorming***

The conduct of this kind of meeting is very simple. The leader must be sure that the ground rules are understood; that the problem is stated; that those present are conditioned to present ideas; that the session is a freewheeling, fast-moving succession of ideas, despite how foolish; that no one criticizes or comments; that all ideas are accepted as stated, or as improved upon by a subsequent speaker, that a record is kept of all; and that, finally, the suggestions made in this session are evaluated and the grain is separated from the chaff.

Five steps to follow in brainstorming:

1. What is the problem?
2. What is the cause of the problem?
3. What are the possible solutions?
4. What are the best possible solutions?
5. How is it to be accomplished?

## **More Meeting Tips**

### ***Parallel Agenda***

What can group leaders do when a group member digresses from the topic to an entirely different issue? Especially when several others show interest in the side issue and discuss it also? Is the purpose of your meeting derailed? No, not if you use a "parallel agenda."

A parallel agenda is a list of topics that your group does not have time to discuss at the current meeting, but plans to discuss at an upcoming meeting. If you use a parallel agenda at your meeting, meeting leaders can tactfully overcome digressions with: "I doubt that topic is on our agenda. Let us put it on the agenda for our next meeting."

Using a parallel agenda allows you to acknowledge creative ideas without side-tracking the group away from the previously agreed upon agenda. Your group members will know that the topic will be on the next meeting agenda and can prepare for that discussion.

### ***Delegation***

Ever notice how the busiest person you know is also a great leader? What makes him or her so special? It may be delegation. Busy people are forced to delegate tasks to others. Delegation may be one of the most important skills any group leader can learn and practice.

Effective delegation develops new skills in the person sharing the task and the person taking the assignment. The "delegator" needs to think through what is needed to accomplish the task. Then, matching the task with a person's interests and abilities, the delegator asks that person to help. After the "delegatee" agrees to help, the delegator and the delegatee discuss the task, the reason for the task, the expected results and any materials needed to complete the task. After the task is finished, delegator and delegatee should discuss what worked well and what could have been improved – on both sides of the delegation equation.

The "delegatee" gains as well. He or she gains familiarity with the neighborhood association, its purpose and the people in it. Because of their involvement and commitment, the delegatee will be more respected and appreciated by neighborhood association members. And, from taking on a new task and succeeding, the delegatee gains confidence in their abilities.

### ***Environmental Concerns***

Don't forget the physical environment where meetings are held. Is the meeting room air conditioned or heated appropriately? Is there enough lighting? Are there enough chairs (but not too many) and are they arranged in a way that will facilitate the meeting? Can latecomers enter quietly without disrupting the meeting? If you have a special guest, is there a place designated for them to sit? Will someone meet the guest and show them where to sit? If there will be an audio-visual presentation, display materials or speakers' materials, plan to set things up before the meeting starts.

When you get right down to it, your neighborhood association will need money. How much will depend completely on what the funds are needed for. There are a variety of methods for raising funds: grant writing, membership drives, admission to special events, mail solicitation, and annual campaigns asking for donations. Whichever method(s) you use, you will need to have a clear understanding of what the funds will be used for and how much needs to be raised. The following list identifies elements of the fund-raising "experience."

### Elements of Fund-Raising

- **Feasibility Study:** Your group may want to do a feasibility study that asks businesses and individuals "Would you be willing to give to this project?" In other words, it might save time and money to test the waters before jumping in.
- **Strong Commitment:** The neighborhood association needs to be strongly committed to the project/program being undertaken. The board organizes the fund-raising effort and recruits volunteers.
- **Case Statement:** Develop a one to two page summary of the purpose of your organization and its credentials, what the problem is and how it can be solved, and how much volunteer time is needed to accomplish the task(s). The group can use this case statement when soliciting donations from businesses, individuals, churches, and corporations. They can send a more detailed statement as a grant proposal to larger foundations and corporate foundations.
- **Donors:** Make a list of prospective donors – residents, adjacent neighborhood residents, local businesses, churches, service clubs, local government programs, sympathetic businesses and corporations, banks and lenders, civic organizations, etc.
- **Volunteers:** The board members will need to recruit volunteers who can help with the fund-raising. Assign volunteers to prospective donors, taking into account a volunteer's abilities, talents or interests that may be more effective with particular donors. Each fund raiser should have the case statement memorized.
- **Methods of Approach:** Explore the methods of approaching prospective donors and select the method that will work best for your group. Besides the methods already mentioned, consider these: telethons, direct mail appeals, door-to door campaigns, and sales (i.e., Honey Sunday or Girl Scout Cookies).
- **Schedule:** Set a kick off date and a completion date for the fund-raising effort.
- **Implementation:** Using the method(s) you selected, go raise funds.
- **Appreciation:** Thank the donors and the volunteers.
- **Evaluation:** How well did it work? What worked well, what could be improved?
- **Announcement:** After accomplishing the project's objectives, be sure to publicize what you did with the money you raised.



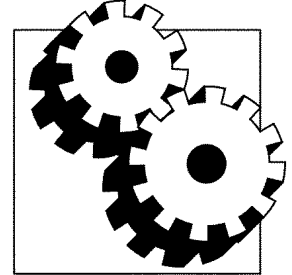
## “Job” Descriptions

While there will be some variation from organization to organization, the following “job” descriptions can give people an idea of what might be expected of them.

### Board Member

A neighborhood association board member helps with the administration of the neighborhood association. The duties and responsibilities of a board member often include:

- attendance at regular meetings,
- setting policy, goals, and priorities,
- planning projects and events,
- sitting on a committee (i.e., housing, fund-raising, etc.),
- representation of the neighborhood on city advisory committees,
- representation of the neighborhood at civic activities, testifying at public hearings, and
- recruiting volunteers.



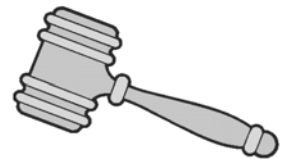
A board member must:

- be committed to the betterment of the neighborhood,
- work well with others and respect their opinions,
- listen attentively to other people’s ideas and concerns,
- communicate ideas and concerns clearly to others,
- follow through on commitments, and
- be assertive and friendly to recruit volunteers.

Being a board member involves a time commitment, on the average, of about five hours per month. This is based on time needed for monthly board and committee meetings and participation in one neighborhood project. The benefits of being a board member include meeting new friends, gaining new skills, and influencing the future of your neighborhood.

### President or Chairperson

The president of any organization has a special role. The strength of the organization will be a reflection of the president/chair’s abilities as an administrator. The spirit of the organization will be a reflection of the president’s clarity and understanding. Meetings and proceedings will reflect his or her organizational ability.



The duties and responsibilities of a neighborhood association president or chair person include:

- knowing the constitution and/or by laws of the organization.
- preparation, in advance, of an agenda for every meeting to insure a smoothly run, on-schedule meeting. The president/chair should consult with the board/officers before hand so that all necessary agenda items are included.
- presiding at all meetings. If it is necessary for the president/chair to be absent, the vice-president or other designated person should be notified in advance.



- knowing basic parliamentary procedure and protocol, bearing in mind that tact and graciousness are important at all times and in all situations.
- appointment of leadership for special committees, carefully selecting them according to their talents and capabilities.
- with the board/other officers, planning and implementation of the neighborhood association's long-range and intermediate activities.
- timely communication of any pertinent information that is intended for the organization.
- delegation of tasks and responsibilities among board members/officers to fairly distribute the workload whenever possible.
- representation of the neighborhood association, both officially when requested at community or local government functions, and unofficially, as a good example of a responsible member of the community and neighborhood.

In addition to the "official" job description, here are some "unofficial" items from past neighborhood leaders:

- be yourself – your style of leadership will be different from your predecessor and that's okay.
- know your strengths and weaknesses – use the strengths and draw upon other members to bolster the weaknesses.
- seek out the opinions of others and listen – if you are too forceful about your own opinions, you may never hear from that quiet member in the corner.
- respect all points of view.
- lead with a friendly smile and a positive attitude.
- face problems as they arise – careful consideration is good but avoidance often just makes things worse.
- accept a few "emotional bruises" – we get bruises while learning to ride a bicycle and learning to lead is at least as complicated.
- a sense of humor can keep it all in perspective.

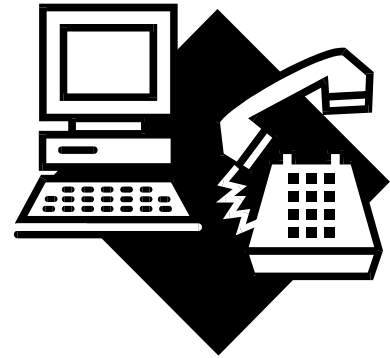
## **Vice President**

If the president is present, the vice president assists the president. If the president is absent, the vice president does the president's job – presiding at the meetings and otherwise performing the duties set forth in the constitution and/or bylaws of the organization. In case of resignation or death of the president, the vice-president, unless otherwise provided for in the byLaws, becomes president for the unexpired part of the term.

## Secretary

Some organizations have two secretaries – recording and corresponding. The duties and responsibilities of a recording secretary include:

- keeping a record of the business proceedings of the organization,
- keeping an accurate, up-to-date list of the officers, chairpersons, and members,
- having available, at all times, a copy of the rules the association has adopted or agreed to use (bylaws, neighborhood plan, Roberts' Rules of Order, etc.),
- if requested, assisting the chair with preparation of the agenda; for example, by providing a record of any unfinished or postponed business,
- cooperating with and assisting all officers, and
- writing the minutes of the meetings.



When writing the minutes, the recording secretary should remember that adjectives are unnecessary. Minutes should report what was done – not what was said. Individual reports should not be elaborated upon – simply state that the reports were read and filed with the secretary.

The duties and responsibilities for a corresponding secretary include:

- notification of all meetings to the officers, affiliated organizations, and other interested persons.
- notifying officers and chairs of planning meetings scheduled.
- preparing any official organization correspondence at the chair's request.
- reporting at the meeting on correspondence sent by the organization and correspondence received since the last meeting.

For those organizations with only one secretary, that one officer handles both recording and correspondence duties.

### Meeting Minutes Should Contain:

- name of organization,
- date and place of meeting,
- whether regular or special,
- name of person presiding (if a substitute presides, the name should be given as acting in the place of the regular officer),
- results of roll call (this is not always required, but usually for the record consists of officers and chairs in attendance, or absent),
- whether the minutes of the last meeting were approved,
- treasurer's report,
- names of officers and chairs who gave reports,
- name of speaker and title of speaker's address (but not the contents of speech),
- all motions as stated by the chair and the results of the motions,
- if the subject matter of the motion is important, the name of the maker should be recorded (if in doubt, record it),
- motion to adjourn,
- adjournment,
- signature of the recording secretary.

## Treasurer

The treasurer is the keeper of all funds. Their duties and responsibilities include:

- paying all bills approved at the meeting,
- maintaining an itemized account of all receipts and disbursements,
- reporting such receipts and disbursements at each meeting,
- submission of records for audit annually, and
- submission of a written report (properly audited) at the annual meeting.



The following lists contain many things that have already been covered, but from a different perspective. Sometimes a different perspective is necessary to get the point across.

### Ways to Kill Any Organization

1. Don't attend meetings, but if you do, arrive late.
2. Be sure to leave before the meeting is closed.
3. Never say anything at the meeting – wait until you get outside.
4. While at the meeting, vote to do everything, then go home and do nothing.
5. The next day, find fault with the officers and other members.
6. Take no part in the organization's activities.
7. Be sure to sit in the back of the room so you can talk freely to another member.
8. Get all the organization can give you, but don't give the organization anything.
9. Never ask anyone to join the organization.
10. At every opportunity, threaten to resign, and encourage others to do the same.
11. Talk cooperation, but don't cooperate.
12. When asked to help, say you don't have the time.
13. Never learn anything about the organization.
14. Never accept an office – it is easier to criticize than to do things.
15. If appointed to a committee, never give any time or service to it.
16. If there are dues to pay, don't pay them.
17. Don't do anything more than you have to, and when others willingly and unselfishly use their ability to help the cause along, cry loudly that the organization is being run by a clique.

### Why Boards Fail

From David Long's book, *How to Organize and Raise Funds for Small Nonprofit Organizations*.

- Because of an ineffective nominating committee.
- Because members do not have a good understanding of the organization and what their role is.
- Because the same people serve year after year there is no new blood, and no concerted effort to recruit and nurture new members.
- Because there is no effective way of eliminating non-productive members.
- Because they have not established committees and recruited volunteers (non-board members) to sit on them.
- Because they have no orientation for new and old members.
- Because they have no annual plan; short-term and long-range goals and objectives.

Hopefully the ideas covered in this booklet have you well on the way to starting or maintaining a healthy, active neighborhood association. There are many other concepts and strategies “out there” that can help your neighborhood association grow and continue to prosper. Tapping into useful classes, web sites and publications can help keep the flame of enthusiasm burning in your group. A few of those potential resources are listed below.

If you tried to start a neighborhood association and it just didn't work, don't lose hope. The time may not be right for your neighborhood. Neighborhoods, like every community of people, change and grow. Wait a year or two, watch for an issue that is important to neighborhood residents and then try again!

Good luck and happy neighborhoods to you!

### Publications:

Chrislip, David, and Carl Larson. *Collaborative Leadership: How Citizens and Civic Leaders and Make a Difference*, 1994. San Francisco: Jossey-Bass.

De Pree, Max. *Leading Without Power: Finding Hope in Serving Community*, 1997. San Francisco: Jossey-Bass.

Filley, A.C., *Interpersonal Conflict Resolution*, Glenview, IL: Scott, Foresman, 1975.

Hinsdale, Mary Ann, Helen Lewis, S. Maxine Waller. *It Comes From the People*, 1995. Philadelphia: Temple University Press.

Luft, J., *Group Processes; an Introduction to Group Dynamics*, 1970, 2<sup>nd</sup> Edition, Palo Alto, CA: National Press Books.

### Web Sites:

[www.fce-dallas.org/news\\_links/resources.html](http://www.fce-dallas.org/news_links/resources.html) – resources for demographics, fund-raising and community development

[www.foundations.org/grantmakers.html](http://www.foundations.org/grantmakers.html) – links to foundations and other funding sources with web sites

[www.grantproposal.com](http://www.grantproposal.com) – grant writing resources

[www.grassrootsfundraising.org/](http://www.grassrootsfundraising.org/) – ideas and advice on fund-raising

[www.learnerassociates.net/proposal/](http://www.learnerassociates.net/proposal/) – guide for writing a funding proposal

[www.library.wisc.edu/libraries/Memorial/grants/proposal.htm](http://www.library.wisc.edu/libraries/Memorial/grants/proposal.htm) – good advice and tips for writing grant proposals

[www.managementhelp.org/](http://www.managementhelp.org/) – basic & practical information for leaders and managers (especially those with very limited resources) on personal, professional and organizational development

## Appendix A: Organizational Options

### Charitable Organization

**Purpose:** To serve the public good

**Officers:** Not required to install officers or hold regular meetings unless the organization's members want to.

**Liability:** There is no liability imposed on the organization except for those taken on by the individual members personally.

**Tax Deductions:** Individuals and corporations cannot take tax deductions for their donations to the organization.

**Grants:** Ineligible to receive grants directly from governmental agencies or most foundations. The organization may have to work with another non-profit incorporated organization that can serve as a fiscal agent.

**Structure:** Not required to install officers or hold regular meetings, so the organization may lack continuity and structure. May be more susceptible to failure because of possible lack of support from members.

**Fees:** Little or no fees involved since the organization will not have to complete paperwork that is necessary to become a non-profit corporation or a tax exempt organization.

### Non-Profit Incorporated Organization

**Purpose:** To serve a public or mutual benefit purpose – a purpose other than the pursuit or accumulation of profits.

**Officers:** Must hold regular meetings, elect a board of directors, write and observe bylaws, and give notice of any changes to its articles of incorporation and bylaws to its members.

**Liability:** Members of the organization's board may have some insulation from legal liability in relation to the organization's debts.

**Tax Deductions:** Individuals and corporations may not be able to take full tax deductions for their donations to the organization.

**Grants:** Eligible to receive grants that require the organization to be a legal entity.

**Structure:** Incorporation may give the organization some continuity and structure due to the requirements for a board of directors, regular meetings and incorporation documents.

**Fees:** The organization pays a \$20 fee plus \$3 per page (one side) to file Articles of Incorporation with the Nebraska Secretary of State's Office. In addition, the names and addresses of members and officers must be reported every two years to the Secretary of State. Additional fees must be paid if changes are made to the Articles

of Incorporation (other than the address of their registered office, or the name of their registered agent) after the document has been filed.

**Other:** The organization can sign contracts, own real estate and other large assets and apply for loans. It cannot sell shares of stock or otherwise distribute its income to members or other private entities. Payment to individuals can only be made for services rendered. Income can only be used to finance the organization, or given to another non-profit organization. For more information about how to become a non-profit corporation, you can check the Nebraska Department of Economic Development website at: <http://assist.neded.org/npincorp.html>

## Tax Exempt Organization – 501(c)(3)

**Purpose:** To serve a public or mutual benefit purpose; a purpose other than the pursuit or accumulation of profits. See the IRS website for a complete list: [www.irs.gov/exempt/](http://www.irs.gov/exempt/)

**Officers:** Must hold regular meetings, elect a board of directors, write and observe bylaws, record official minutes, and give notice of meetings and changes to its Articles of Incorporation and bylaws to its members.

**Liability:** Organization is not liable for federal income tax on its earnings unless the organization brings in substantial earnings not related to its tax-exempt purpose.

**Tax Deductions:** Donors may take a tax deduction for donations made to your organization to the extent allowed by law.

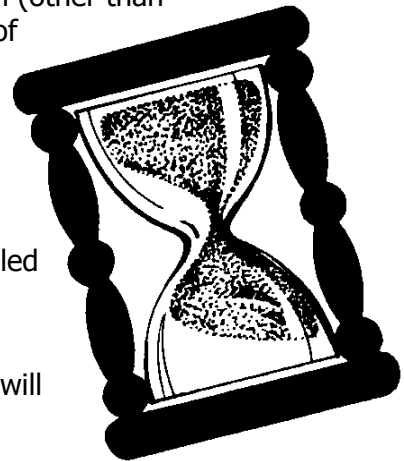
**Grants:** May be able to apply for government, corporate and private grants limited to 501(c)(3) organizations.

**Structure:** The pre-requisite tax exempt incorporation may give the organization some continuity and structure due to the requirements for a board of directors, regular meetings, and incorporation documents.

**Fees:** Fees must be paid to the Internal Revenue Service to file for tax-exempt status. This fee is in addition to the fees paid to the Nebraska Secretary of State's Office for filing Articles of Incorporation. In addition, the names and addresses of members and officers must be reported every two years to the Secretary of State. If changes are made to the Articles of Incorporation (other than the address of their registered office, or the name of their registered agent), additional fees must be paid after the document has been filed.

**Other:** The tax-exempt application may require a lot of time to complete, especially with regard to budget matters – the organization will need to complete a two-year budget. The organization must keep detailed financial records.

If the organization's annual receipts are \$25,000 or more or its total assets are more than \$250,000, it will need to complete a Form 990 Income Tax Return.



However, if the organization earned less than \$25,000 in a year, the form is very simple.

The IRS monitors organizational expenditures by requiring a report on how earnings were spent at the end of the first two years of exemption. Using this information they then decide if the organization is qualified to continue as a tax exempt organization.

The organization cannot lobby for legislation or endorse any candidate for public office. This restriction does not, of course, affect actions that members of the organization take as individuals. Some exceptions are made to this prohibition when officials request the organization's input, for example, at public hearings.

If the organization dissolves, it must give its money to another 501(c)(3) organization of its choice. Reduced postal rates may be available to the organization.

In addition to 501(c)(3) status, there is another tax-exempt status that your organization may want to consider – 501(c)(4) status. In IRS terms, this tax exempt status is for "social welfare organizations." There are some key differences: donations to a 501(c)(4) organization are not tax deductible, but a 501(c)(4) organization can lobby for legislation on the basis of issues (still can't endorse candidates). For further details, check out the IRS website: [www.irs.gov/exempt/](http://www.irs.gov/exempt/) This same site also has everything from applications to requirements. You can also download **Publication 557: Tax Exempt Status for Your Organization** from this site.

It is also worth noting that neither a 501(c)(3) nor a 501(c)(4) status makes a neighborhood association exempt from state sales tax. According to the Nebraska Department of Revenue, neighborhood organizations are not eligible to receive a sales tax exemption number.



### Example 1: Bylaws Outline

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#### **Article I. Name and Location**

#### **Article II. Purpose**

#### **Article III. Membership**

- Sec. 1 Definition of Membership
- Sec. 2 Removal From Membership
- Sec. 3 Withdrawal From Membership
- Sec. 4 Termination of Association by Non-Member

#### **Article IV. Government**

- Sec. 1 Annual Meeting
- Sec. 2 Special Meeting
- Sec. 3 Notice of Meetings
- Sec. 4 Quorum at Membership Meetings
- Sec. 5 Voting Methods

#### **Article V. Annual Meeting**

- Sec. 1 Purpose
- Sec. 2 Quorum
- Sec. 3 Voting

#### **Article VI. Board of Directors**

- Sec. 1 Elections
- Sec. 2 Eligibility for Office
- Sec. 3 Removal from Office

Sec. 4 Vacancies on the Board

Sec. 5 Meetings of the Board

Sec. 6 Rights and Duties of the Board

#### **Article VII. Rights and Duties of the Officers**

- Sec. 1 President
- Sec. 2 Vice President
- Sec. 3 Secretary
- Sec. 4 Treasurer

#### **Article VIII. Finance**

- Sec. 1 Membership
- Sec. 2 Loan Capital
- Sec. 3 The Right to Borrow
- Sec. 4 Investment in Other Cooperatives
- Sec. 5 Subsidiary Corporations
- Sec. 6 Partnership

#### **Article IX. Earnings**

- Sec. 1 Distribution of Earnings

#### **Article X. Amendments**

#### **Article XI. Dissolution**

## Example 2: Generic Bylaws

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**Articles of Organization of** \_\_\_\_\_ *[Name of Neighborhood Association]* \_\_\_\_\_.

### **Article I. Name**

The name of this organization shall be the \_\_\_\_\_ *[Name of Neighborhood Association]* \_\_\_\_\_.

### **Article II. Area of Operation**

This neighborhood organization shall limit its activities to the area within these boundaries: \_\_\_\_\_  
\_\_\_\_\_ *[description of boundaries]* \_\_\_\_\_  
\_\_\_\_\_

### **Article III. Purpose**

The general purpose shall be to plan and act in ways to make the area a better community in which to live and raise a family *[or state whatever purpose that is agreed upon]*.

- Encouraging the residential character of the neighborhood and quality of life through compatible land usage and housing preservation.
- Achieving better facilities and services to meet the needs of the residents of the area.
- Maintaining a pleasing aesthetic character for the neighborhood.
- Developing local leadership and resources effectively to deal with neighborhood issues.
- Promoting an increased awareness of the benefits and problems of living in the neighborhood.
- Informing the residents of the neighborhood of events concerning this area.
- To meet community needs so that all who live in the area will feel a part of the community.
- To provide a vehicle through which group unity may be directed when needed.

### **Article IV. Membership**

Membership is open to anyone interested in the organization. Special efforts will be made to see that all segments of the community are included in the membership of the group. Each adult member (19 years or above) with dues current will be allowed to vote *[or state whatever membership policy is agreed upon]*.

### **Article V. Dues**

Annual dues will be \$2 per regular membership. Senior citizen memberships will be \$1. Dues shall be paid on or before the date of each annual meeting *[or whatever is agreed upon]*.

### **Article VI. Meetings**

The annual meeting of the organization will be held during the month of \_\_\_\_\_. Special general meetings can be called by a quorum of the Board. The membership shall be notified at least two weeks before scheduled meetings and when possible before special meetings. Procedures at general meetings shall follow "Robert's Rules of Order" *[or whatever is agreed upon]*.

## **Article VII. Board**

Functions of this organization shall be administered by a twelve (12) member board which the general membership will elect. Board members will be elected for a three-year tenure. Four (4) board members will be elected annually (except the first election at which four three-year members, four two-year members and four one-year members are elected). Members may be reelected. The Board will meet once a month or as often as necessary. The Board meetings will be open to the public. As much as possible, the Board shall represent all areas of the neighborhood.

The Board will select among themselves the presiding officers of the Board. If a vacancy occurs, a replacement shall be appointed by the Board to fill out the remainder of the term.

The Board shall appoint committees as needed. Chairs of the committees can attend Board meetings. Any issues involving financial resources or capital improvements shall be brought before a meeting of the general membership. *[Or whatever definition is agreed upon.]*

## **Article VIII. Amendments**

These Bylaws may be amended, altered, or repealed. A majority of members present may adopt New Bylaws at either an annual meeting or a special meeting called for that purpose. *[Or whatever wording is agreed upon.]*