

**RURAL SUPPORT PROGRAMMES NETWORK**

**SAMPLE BYLAWS**

**FOR**

**LOACL SUPPORT ORGANISATION**

**BY**

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# Bylaws of Local Support Organisation

## Preface

Bylaws are rules and regulations adopted by any organisation to govern its internal administration and management. Bylaws generally outline the vision, mission and objectives of the organisation, its administrative structure, its general and financial rules, the roles and responsibilities of its leaders and members and rules for its dissolution. Local Support Organisation (LSO) is a formal and legal entity. Therefore, it must be governed by formal Bylaws. Without a set of written Bylaws, the LSO would have no clear direction and focused objectives; they would end up operating on haphazard lines. Thus the LSO would not be able to manage its undertakings to the satisfaction of its members and other important stakeholders.

Bylaws are an important document and therefore they must be developed with great care. Care must be taken to incorporate the views of the beneficiary members as well as other important stakeholders in the Bylaws.

For registration of the LSO, the Bylaws must be drawn in line with the legal requirement of a registration act. Most LSOs are registered under the Social Welfare or Societies Act 1925. The legal formats designed for these acts are outdated. Therefore, a new format was needed for LSOs and VOs but on similar lines. That is the rationale for developing this format. Some general points have been made under the Objectives part of the Sample Bylaws. However, the LSOs should develop their own sets of vision and objectives instead of blindly copying from here.

The LSO should first select a team of experts to develop its Bylaws. The team should hold a workshop and develop the vision and objectives of the LSO through a visioning exercise. The relevant SMT should facilitate this workshop. The LSO should formally approve the Bylaws in its General Body meeting.

## **Local Support Organisation**

### **Bylaws**

#### **1. Full name of the LSO**

The name of the LSO will be \_\_\_\_\_ with its abbreviation \_\_\_\_\_.

#### **2. Complete Address of the LSO, phone number & E-mail address:**

Head office of the LSO will be at \_\_\_\_\_ and the sources of contact with Head office and complete address will be \_\_\_\_\_

(Give full postal address, telephone number and E-mail addresses)

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#### **2. Jurisdiction of the LSO**

This organization will work for the collective and individual welfare and development of the members of all the existing male and female COs of the union council \_\_\_\_\_ Tehsil \_\_\_\_\_ District \_\_\_\_\_.

#### **3. The Guiding Principles**

Following will be the guiding principles of the LSO.

1. Self help.
2. To provide equal opportunities of development to everyone especially the poorest men and women.
3. Transparency i.e. the entire decisions and record of the VDO will be transparent.
4. Sense of responsibility i.e. all the members and the departments of the LSO will be fully accountable to its members.
5. Impartial i.e. non-political, non non-religious and non-ethnic

#### **4. The Vision and Mission of the LSO**

The Vision of the LSO is “a society free from all forms of exploitation and discrimination where everyone has the opportunity to realise their potential”.

The Mission of the LSO is “to organise all poor households of the UC to eradicate their poverty and to bring peace and prosperity in the area through mutual cooperation and in collaboration with government and non-government agencies”.

(To be developed by the LSO members)

#### **5. The Objectives**

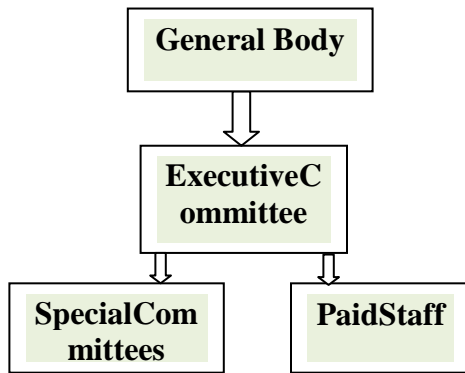
To achieve its vision, the following shall be the objectives of the LSO:

1. Organise maximum households in COs
2. Strengthen member COs and VOs through capacity building programmes on need basis.
3. Identify opportunities and make area specific development plans and implement them
4. Form development partnership with local government at UC level.
5. Establish development linkages with government, NGOs and private sector agencies for accessing services and resources to its member organisations as well as for its own operations and programmes.
6. Mobilise human, financial, and other resources for its member organisations.
7. Monitoring of programmes and projects of its member VOs and COs.
8. Represent its member organisations on various forums, networks and associations.
9. Plan, implement and manage union council level projects and programmes in collaboration with member VOs/COs and government and non-government agencies.
10. Progress reporting of programmes and projects to member organisations, donors and other stakeholders.
11. Generate and manage funds for its operational cost through various sources
12. Motivate and support member COs to establish permanent and sustainable savings and credit programmes.
13. Guide and assist member VOs and COs regarding sustainable management of natural resources of the community
14. Policy advocacy with the Governmental, Non Governmental and Private sector institutions for making their developmental policies in accordance with the required and real needs of the people.
15. Plan and execute poverty alleviation programmes in collaboration with member VOs and COs.
16. Provide equal share to women in the developmental matters.
17. Involve notable religious, social and political personalities and organisations of the community in developmental matters.
18. To provide avenues for the youth for active participation in community development.
19. To take steps for promotion of health, education, human and women's rights.
20. To plan and execute disaster risk reduction activities.

Note: Each LSO should develop its vision and objectives through a visioning exercise.

## **6. Organisational Structure.**

The organisational structure of the LSO shall be as follows:



## **7. The General Body.**

- Every member VO shall elect through majority resolution at least two members for the General Body of the LSO. At least 33% members must be women.
- The President and the General Secretary of the Executive Committee shall also be the President and General Secretary of the General Body.
- The General Body shall convene at least one meeting annually which shall be called Annual General Meeting. More over it may convene as many meetings as required which shall be called a Meeting.
- The quorum for every meeting of the General Body shall be 51% of its members. In case of lack of quorum the meeting shall be again convened with a notice of 15 days.

## **8. Roles and Responsibilities of General Body.**

- It shall approve the proceedings of the last meeting after due consideration.
- It shall consider and decide the current matters on the agenda.
- It shall formulate and approve the Bylaws of the LSO.
- It shall amend or cancel the amendments according to requirement in the Bylaws of the LSO.
- It shall approve the Annual Plan and Annual Budget of the LSO.
- It shall approve changes exceeding 10% in the annual plan and budget of the LSO.
- It shall approve the Annual Progress Report and Audit Report of the LSO.
- It shall elect the members of Executive Committee and accept their resignation.
- It shall consider and decide the no confidence motion against any office bearer of the Executive Committee.
- It shall elect new member of Executive Committee vacated due to resignation or any other reason.
- In conformity with the aims and objectives of the LSO, it shall formulate the methodology for cooperation with other institutions and shall approve the membership of these institutions.
- It shall debate on the resolutions presented by the members and approve or reject the same.

## **9. Meetings of General Body**

As mentioned earlier, there shall be two kinds of meetings of the General Body i.e. **Annual General Meeting** and **Ordinary Meeting**. The procedures of these meetings shall be as per following:

### **Annual General Meeting (AGM):**

The General Secretary in consultation with the President shall decide of the Date, Time, and Place of the Annual General Meeting and shall inform all the members at least one week before the actual date of the Annual General Meeting. Following matters shall be considered in the Annual General Meeting;

- a. To approve the Annual Progress Report and Financial Report for the previous year presented by the Executive Committee.
- b. To approve the Annual Work plan and Budget of the LSO
- c. To approve the audit report of the LSO
- d. To approve the auditor of the LSO for the next year
- e. To elect the members of General Body and Executive Committee
- f. To approve the Bylaws of LSO and amendments in it

### **Ordinary Meetings:**

Apart from the Annual General Meeting the General Body can decide to hold quarterly or monthly meetings on regular basis or any time on need basis. The General Secretary in consultation with the President shall inform all the members at least a week earlier. The quorum shall be participation and presence of 51% of the members. The following matters shall be discussed in the Ordinary Meetings:

- 1) Change in the Bylaws of the LSO
- 2) Election of new members of the Executive Committee
- 3) Approval of the resignation of the member of the General Body and Executive Committee
- 4) Amendments in the Annual Work plan and Budget exceeding 10%
- 5) Investigation of malpractices in the administrative and financial matters of the LSO and decision on them
- 6) Any other matter of importance in the line of the LSO objectives

## **10. The Executive Committee**

To execute the decisions made by the General Body and to deal with the administrative matters of the LSO, an Executive Committee shall be formed for a period of \_\_\_\_ year/years with \_\_\_\_members. The Executive Committee shall choose its office bearers according to their requirements. Their offices shall be President, Vice President, General Secretary, Finance Secretary, and Joint Secretary, while others shall be ordinary members. The LSO can have as many office bearers as is required to execute specific jobs. The Executive Committee shall remain functional till the election of new members.

## **11. Election of the Executive Committee**

On the occasion of Annual General Meeting or in any other ordinary meeting the General Body shall elect all members of Executive Body with consensus or through elections. In case of equality of votes the President shall have an additional vote.

## **12. The resignation of any member of Executive Committee or Office Bearer**

If any member of the Executive Committee or Office Bearer wants to resign he/she shall submit his/her resignation with the President. In case the office of the President is vacant due to resignation the member shall submit the resignation to the Vice President or General Secretary. In both the cases, General Secretary in consultation with the President shall convene a meeting of the General Body with a notice of one week. Wherein decision shall be taken for acceptance or rejection of resignation of the member. In case of acceptance of their resignation the new member can be elected in the same meeting or it shall be elected in any other meeting. Where as in case of resignation of any member of the Executive Body the decision shall be taken in the next meeting of General Body and a new member shall be elected.

## **13. Meetings of Executive Committee**

1. The Executive Committee shall hold its meetings each month.
2. The Committee shall maintain the minutes of its meetings in written form.
3. The President of the LSO shall preside over the meeting. In the absence of the President the Vice President and in the absence of Vice President the General Secretary shall preside over the meeting.
4. In monthly meetings every sort of programmatic, administrative, financial and social matters shall be discussed and decided upon. Quarterly and monthly targets shall be set out to execute the Annual Work plan and responsibilities shall be fixed. Then progress and monitoring reports about the planned activities shall be discussed and revisions will be made in them as and when required.
5. Presence of 51% members shall be compulsory for the quorum. More over, presence of any one of the President, Vice President and General Secretary shall be compulsory in the meeting.

## **14. The Roles and Responsibilities of the Executive Committee**

Following shall be the roles and responsibilities of the Executive Committee

- Elect its Office Bearers from among its members
- Approve the minutes of the last meeting.
- Create Special Committees for the promotion of aims and objectives of the LSO.
- Frame rules for the good governance of the LSO
- Propose appropriate actions to implement the Annual Plan and utilize the approved budget.
- Submit to the General Body, the Annual Progress Report and the Audit Report of the LSO and obtain their approval.

- Appoint paid staff to run the projects of the LSO on need basis.
- Monitor the performance of paid staff, arrange training for them, accept their resignation and terminate them

## **15. The Roles and Responsibilities of the Office Bearers of the Executive Committee**

### **The President:**

- 1) Shall be the Constitutional Head of the LSO.
- 2) Shall be responsible to call for the meeting directly or through the General Secretary.
- 3) Shall preside over the meetings of General Body and Executive Committee
- 4) Approve the minutes of the last meeting
- 5) After ensuring to have the quorum, order to start meeting proceedings.
- 6) Together with Secretary Finance shall sign the cheques of the LSO and shall approve the income and expenditures
- 7) Can sanction up to Rs 5,000/-, as emergency expenditures which shall afterwards be got approved from the Executive Committee
- 8) Shall ensure the supremacy of the Bylaws of the LSO and shall watch all its matters.
- 9) Shall issue instructions to the other Office Bearers related to their official duties
- 10) Shall be accountable to General Body and the Executive Committee
- 11) Shall appoint and discharge staff for the projects of the LSO in consultation with the Executive Committee
- 12) Shall appoint staff for LSO Projects with the approval of the Executive Committee
- 13) Shall take steps to raise funds for the LSO

### **The Vice President:**

- 1) Shall assist the President in his/her duties.
- 2) Shall exercise the powers of the President during his/her absence.

### **General Secretary:**

1. Shall preside over the meetings in the absence of the President and the Vice President
2. On the advice of the President, shall call for the meetings of General Body and Executive Committee and issue agenda for the meetings.
3. Shall note down the proceedings of the meetings of General Body and Executive Committee and submit to the relevant body for approval in its next meeting.
4. Prepare the annual report and submit it to the Executive Committee and after approval of the Executive Committee submit it to the General Body for their approval



5. With the permission of the Executive Committee shall coordinate with government, non-government and private sector organisations and individuals to promote the causes of the LSO
6. Shall be the spokesperson of the LSO and shall issue written or verbal policy statements on behalf of the LSO
7. Shall keep records of the LSO in his/her custody
8. Shall be guardian of the property of the LSO
9. Shall be responsible for the financial management of the LSO.
10. Shall be responsible to keep the Executive Committee informed on all financial matters.
11. Shall be fully responsible for office matters and shall keep all stakeholders informed about them
12. Shall perform any function assigned by the President or Executive Committee and General Body

### **Secretary Finance.**

1. Shall be responsible for receiving income and making payments on behalf of the LSO and keep financial records of the LSO.
2. Shall prepare financial reports of LSO on monthly, quarterly and annual basis and report to the Executive Committee.
3. Shall be responsible for financial audit of the LSO accounts and submit the audit report to the Executive Committee and General Body for approval.
4. Shall prepare the annual budget in consultation with the President and the General Secretary and obtain its approval from both the Executive Committee and the General Body
5. Shall be bound to consult the President and General Secretary in financial matters and shall get approval of the President or his/her representative for all income and expenditures of the LSO.
6. With the approval of the Executive Committee, shall open bank account/s in the name of the LSO in any commercial bank and operate this account jointly with the President or his/her representative.
7. Shall be allowed to keep a petty cash of Rs 1,000/- for urgent expenditures.
8. Shall deposit all cash in the bank account latest by the next working day.

### **JointSecretary.**

- 1) Shall assist the General Secretary in office matters and in holdings of the meetings of the LSO
- 2) Perform all duties in the absence of General Secretary.
- 3) Shall perform any function assigned to him/her by the President or Executive Committee

### **16. Paid Staff**

1. The LSO can hire permanent or temporary paid staff to run its administrative and financial matters on accepted professional standards.
2. The positions of the paid staff shall be approved by the General Body on the recommendation of the Executive Committee.
3. The salary and benefits, job description and job specification of each position shall be approved by the Executive Committee.
4. A transparent procedure shall be followed to recruit the paid staff and all decisions shall be taken on merit.
5. Policies and procedures for their promotion and salary raise based on their performance and shall be prepared in written form.

### **17. Special Committees**

- 1) The LSO may appoint Special Committees on need basis, to perform special functions assigned to them by the Executive Committee.
- 2) Such committee shall be created by a resolution that outlines their duties and powers.
- 3) The committee expires on completion of its assigned duties unless it is a permanent committee.
- 4) The committee shall submit its recommendations to the Executive Committee. The Executive Committee shall have the power to take decision on these recommendations.
- 5) If the special committee has been formed on the recommendations of General Body the findings and recommendations of that committee shall be represented to General Body who shall take the final decision on the recommendations.

### **18. Sources of funds**

1. For the achievement of its aims and objectives the LSO may raise funds and earn income from all legal sources
2. The main sources of income of the LSO shall be membership fee, monthly contribution from members, donations and fee on services rendered.
3. The LSO can take money, goods and services from government, non-government and private organizations
4. The LSO can undertake for profit activities, like doing a business and investment in stocks etc. However, the income thereof shall be spend only for the attainment of aims and objective of the LSO and never be distributed as dividend among its members

### **19. Expenditure of the LSO**

The LSO shall spend its earnings on following matters.

- 1) For the attainment of its stated aims and objectives
- 2) With the approval of its General Body for any noble and just cause compatible with its aims and objectives

### **20. Financial Management**

1. The entire financial income of the LSO shall be deposited in its bank account which shall be operated by nominated members of the LSO with their joint signatures.
2. The expenditure of the LSO shall be made on the basis of annual approved budget. In case of additional expenditure up to 10% approval of the Executive Committee shall be required. Beyond that the approval of the General Body shall be necessary.
3. No expenditure shall be made without the approval signature of the President or his/her nominee and the General Secretary or the Finance Secretary
4. The LSO shall maintain its financial records under a standard accounting manner and keep intact all kinds of agreements, receipts, bills and their related documents in original.
5. The LSO shall get its annual accounts audited from any approved auditing firm. The approval of the auditor shall be given by the General Body

## **21. The Assets of the LSO**

All transferable and non transferable assets of the LSO shall be owned by its member male and female COs. In case of termination of the LSO, they will be transferred to its member COs, and on termination of all member COs these assets shall be transferred to an institution whose aims and objectives shall conform the aims and objectives of the LSO.

## **22. The terms and conditions for becoming member of LSO**

Following shall be the terms and conditions for the membership of the LSO:

1. A Village Organization (VO) that represents majority of male and female COs in its jurisdiction on the condition that it agrees with the aims and objectives of the LSO
2. It pays the agreed membership fee and is willing to fulfill its responsibilities as a member
3. Accepts the decisions of the General Body and Executive Committee of the LSO
4. Submit an application for membership and nominate its representatives in the LSO via a resolution signed by majority of its members.

## **23. Termination of the Membership.**

The membership of the LSO can be terminated on following grounds.

1. On the choice of the member organisation. For this the member organisation LSO shall submit a written resolution signed by majority of the members to the LSO
2. In case of clear violation of rules and regulations and Bylaws of the LSO, willful default of LSO dues and purposely harming the LSO or its aims and objectives. In that case the Executive Committee should verify such violation via a written statement to the General Body who shall approve the termination order.

## **24. Discipline.**

1. It shall be binding on the members to pay regularly the agreed membership fee etc. Otherwise their membership shall be suspended and finally be terminated.
2. It shall be binding on every member to attend the LSO meetings regularly. In case of emergency, permission can be obtained from the President or General Secretary; otherwise the membership shall be terminated for absence from three consecutive meetings. In that case the member shall be informed in writing and in the absence of receipt of satisfactory explanation from the member or total refusal to submit the explanation its membership shall be terminated with the approval of the General Body.

## **25. Monitoring and Control.**

1. The President shall be responsible for the overall performance of the LSO and to ensure that the LSO operations are fair and are fully governed by its Bylaws. He/she shall closely watch the performance of the LSO and in case of noticing any irregularity he/she shall call a meeting of the Executive Committee or the General Body, as the case may be, and brief the concerned body about it and take corrective measures or disciplinary actions. If required, he/she shall formulate an investigation committee to deal with the matter in question.
2. The President shall be responsible for maintaining order in the meetings of the General and Executive body of the LSO. In order to ensure achieving the aims and objectives of the LSO, the President shall ensure that each member of the Executive Committee and General Body and paid staff performs their roles and responsibilities in proper order at a minimum standard.
3. The President shall be fully accountable to the General Body and the Executive Committee. He/she shall not be allowed to take any decision that is not supported by a simple majority of the concerned body.
4. The Executive Committee shall be responsible for monitoring and evaluation of the programmes and projects of the LSO and to submit progress and monitoring reports to the General Body and other stake holders.
5. Each member of the Executive Committee shall report official matters to the President and the Executive Committee in the monthly meetings as well as through special reports and briefings as and when required.
6. The General Body shall be the supreme and sovereign organ of the LSO. All other organs of the LSO shall be answerable to it.
7. In case of complaint against the President minimum three members of the Executive Committee shall submit a written complaint to the General Secretary under their signatures. The General Secretary shall call a meeting of the General Body within 15 days after receiving the written complaint. The President shall leave the meeting to ensure consideration of the complaint impartially. The presence of  $\frac{3}{4}$ th members shall be necessary to attend the meetings convened for the consideration of complain against the President. The decision about such complains shall be through consensus or through majority votes. The same process shall be adopted in case of complains against any other member of the General Body or the Executive Committee.
8. In case of complain of financial irregularity against any responsible person investigation shall be made according to point 7 above. An investigation committee

could be formed which shall submit its report to the Executive Committee. The final decision shall be that of the Executive Committee.

9. Appeals can be lodged against the decisions of the Executive Committee in the General Body. For the purpose written complains shall be submitted to General Body signed by at least three members. To consider the complaint the General Body shall convene an special meeting on 15days notice and decide the matter after due discussion. No appeal shall be filed against the decisions of the General Body. However in view of new facts coming to the notice the application can be submitted for re-consideration of the decision.



