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**TO:** Plymouth District Library Board      **DATE:** February 10, 2023  
**RE:** Board By-Law Legal Review,      **FROM:** Shauna Anderson,  
Approval      Director

The library is currently pursuing 501c3 status, and as a result, there are some additions we need to make to our board by-laws to make it compliant with IRS stipulations.

The first change required is to clarify the purpose of the organization through an addition to the first paragraph. The second change required is to demonstrate that there is a process in place for dissolution in the event that the library ceases to exist. Rules for this are already governed by state law.

In addition to the two updates above, we had our legal team review the document for any additional suggested updates.

A red-lined copy of the full suggestions is attached to this memo.

In regards to the suggestions submitted through public comment on updates to the library board by-laws, the only suggestion I recommend moving forward with is the inclusion of a statement outlining the board's fiduciary responsibility to their constituents. Other recommendations do not align with best practices for district library boards.

RESOLVED BY TRUSTEE \_\_\_\_\_, SECONDED BY TRUSTEE \_\_\_\_\_, TO APPROVE  
THE RECOMMENDED CHANGES TO THE BOARD BY-LAWS

AYES \_\_\_\_\_

NAYS \_\_\_\_\_

PLYMOUTH DISTRICT LIBRARY BOARD OF TRUSTEES  
BY-LAWS

ARTICLE I  
NAME

Section 1. ~~Establishment.~~ This organization shall officially be known as the Plymouth District Library. ~~However, this organization may also be referred to as the Plymouth Dunning-Hough District Library.~~

Section 2. Purpose. The purpose of the Library will be to operate for educational and scientific purposes, including, for such purposes, supporting other educational or community organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code. ~~Notwithstanding any provision in these bylaws to the contrary, the purpose of the organization shall be to operate to provide public library services to residents of the Plymouth District Library District in accordance with applicable Michigan law.~~

ARTICLE II  
MEMBERSHIP

Section 1. Library –Board. In accordance with Public Act 24 of 1989 (the “District Library Establishment Act”) the Board of Trustees of the Plymouth District Library (“Board”) shall consist of seven (7) members (“Board Members”) elected from the District at large for terms of four (4) years, who shall serve until the election and qualification of a successor.

Section 2. Vacancy. ~~The office of Board Member becomes vacant when the incumbent dies, resigns, is convicted of a felony, is removed from office by the Governor, ceases to be a resident of the Library District.~~ Any vacancy shall be filled by appointment by majority vote of the remaining members of the Board ~~of Trustees~~ until the expiration of the vacating ~~B~~board ~~M~~member’s term, unless such vacancy occurs 140 days or more before the first regularly scheduled election of ~~B~~board ~~M~~members that follows the beginning of the term of the ~~B~~board ~~M~~member vacating office. In such case, ~~the vacancy shall be filled in accordance with the District Library Establishment Act.~~ (a) The vacancy shall be filled by appointment by majority vote of the remaining board members only until the next date on which the term of any board member expires and (b) A board member shall be elected at the regularly scheduled election of board members next following the occurrence of the vacancy to fill the vacancy for the remainder of the term of the board member vacating office.

Section 3. Removal. In accordance with Section 8(2) of the DLEA, the Governor of the State of Michigan shall have the power to remove a Board Member pursuant to the provisions of Section 10 of Article V of the State Constitution of 1963, as amended.

ARTICLE III  
POWERS OF THE BOARD ~~OF TRUSTEES~~

Section 1. Power and Authority. The Board ~~of Trustees~~ may exercise any and all of the powers granted to it in the District Library Establishment Act, the District Library Financing Act, federal, Michigan or other law. By resolution and if permitted by law, ~~T~~he Board may delegate such powers to the Officers of the Board and/or the Library Director as it deems necessary and as permitted by law.

Section 2. Budget. The Board ~~of Trustees~~ shall have the exclusive control of the budget of the District Library. The Board of Trustees shall approve a budget prior to January 1 of the fiscal year. A budget proposal shall be submitted by the Library Director at a meeting of the Board September preceding the fiscal year. A budget proposal must be approved by a majority of the Board Mmembers present at an official meeting. The Board of Trustees may require the Treasurer or Library Director to submit to the Board on a monthly basis monthly data regarding the actual and estimated budget to date. The Bboard may then revise or amend the budget as deemed necessary by a majority of Board Mmembers voting on the questions. The Board shall prepare and make available an annual budget.

Section 3. Fiscal Year. The fiscal year of the District Library shall be January 1 through December 31.

Section 4. Audit. The Board shall prepare and publish an annual budget and shall obtain an annual audit by an independent certified public accountant selected by the Board, all in accordance with the Uniform Budgeting and Accounting Act, MCL 141.421 et seq., as amended. ~~The Board of Trustees shall approve a budget prior to January 1 of the fiscal year. A budget proposal shall be submitted by the Library Director at a meeting of the Board September preceding the fiscal year. A budget proposal must be approved by a majority of the Board members present at an official meeting.~~

~~Section 5. The Board of Trustees may require the Treasurer or Library Director to submit to the Board on a monthly basis data regarding the actual and estimated budget to date. The board may then revise or amend the budget as deemed necessary by a majority of Board members voting on the questions.~~

#### ARTICLE IV OFFICERS

Section 1. Officers. Officers of the Board ~~of Trustees~~ shall be President, Vice-President, Secretary, and Treasurer.

Section 2. Terms. The officers shall be elected for a term of one year at the Annual Meeting of the Board. Each officer shall serve until the appointment of a successor.

Section 3. Vacancies. Vacancies in office shall be filled by the Board at the next regular meeting of the Board following the occurrence of a vacancy, except for the office of President, in which case the Vice-President shall assume the duties of the office for the unexpired term. A successor Vice-President shall be elected to fill the vacancy so created in that office.

Section 4. Limits. No officer shall serve more than two consecutive one-year terms in the same office.

#### ARTICLE V DUTIES OF THE OFFICERS

Section 1. President. The President shall preside at all meetings, appoint committees

with the approval of the Board, authorize calls for any special meetings, execute any document authorized by the Board (unless otherwise provided by the authorization) –and generally perform the duties of a presiding officer.

Section 2. Vice-President. In the absence of the President, the Vice-President shall perform the duties of the President. In the case of a vacancy in the office of the President, the Vice-President shall assume the office for the unexpired term.

Section 3. Secretary. The Secretary of the Board shall see that a true and accurate account of all proceedings of the Board meetings and other Library records are kept in accordance with Michigan law is kept. In compliance with any requirements of state law regarding the holding of meetings, the Secretary shall issue notices of all regular meetings, and, on the authorization of the President or two Board Members, of all special meetings, and shall have custody of the minutes and other records of the Board ~~of Trustees~~. With the approval of a majority of the Board, the Secretary may delegate any of these responsibilities to the Library Director. The Secretary shall also have the authority to execute any document authorized by the Board (unless otherwise provided in the authorization).

Section 4. Treasurer. The Treasurer shall have charge of the funds of the Plymouth District Library, providing for their safe custody and investment as directed by the Board, subject to limitations for investment of public funds as provided by law. The Treasurer shall control expenditures from the Library fund through a system of vouchers presented by authorized personnel. A record of all moneys received or deposited to the Library fund, and all disbursements, sales and transfers from the fund shall be kept by the Treasurer, and reported monthly to the Board ~~of Trustees~~ at its regular meeting. In addition, the Treasurer shall perform such other duties as may be prescribed for him or her by State or Federal law and these by-laws. With the approval of a majority of the Board, the Treasurer may delegate any of these responsibilities to the Library Director.

## ARTICLE VI MEETINGS

Section 1. Regular Meetings. The regular meeting of the ~~Plymouth District Board of Trustees~~ shall be held each month, the date, place and time-hour to be set by the Board at its annual meeting. Within ten (10) days following the annual meeting a notice shall be posted in a public place setting forth the dates, times, and places of all regular meetings scheduled for the ensuing fiscal year. Any changes to the schedule, as required, shall be posted in a public notice stating the new dates, times, and places of its regular meetings within 3 days after the meeting at which the change is made. ~~For a rescheduled regular meeting, a public notice stating the date, time, and place of the meeting shall also be posted at least 18 hours before the meeting.~~ The Library may also post the changes in the monthly announcement of the regular meeting.

Section 2. Annual Meeting. The Annual Meeting of the ~~Plymouth District Library Board of Trustees~~ shall be the first regular meeting of the fiscal year; and shall be for the purpose of the election of officers and consideration of such other organizational matters as may be required.

Section 3. Special Meetings. Special meetings may be called by the President or upon written request of two ~~Board Members Trustees~~, provided eighteen (18) hours of notice is given of the time and purpose for which such meeting is called. For a special meeting, a public notice stating the date, time, and place of the meeting shall be posted in the format and manner

as required by the Open Meetings Act at least 18 hours before the meeting. ~~Trustees-Board Members~~ not present at the time of announcement of such special meeting shall be notified by the Secretary.

Section 4. Notices Distribution of Agendas. Agendas of regular meetings ~~with agenda~~ shall be posted in a public place and shall be distributed by the Secretary to all members at least three (3) days before the meeting. The Board has the discretion to amend the agenda at any regular meeting, unless prohibited by law or the Bylaws.

Section 5. Agenda. The following items will constitute the agenda for regular meetings, unless otherwise changed by motion of the Board at any meeting:

Call to order and attendance  
Approval of minutes  
Citizens' comments  
Financial Report, including approval of bills Librarian's report  
Committee reports  
Old business  
New business  
Adjournment

Section 6. Quorum. A quorum for the transaction of business shall consist of a majority of Board Members appointed and serving. ~~four (4) members of the Board.~~

Section 7. Board Action. Any Board action, to be official, must be approved at an official Board meeting. Actions with respect to the levy of taxes, incurring of debt and expenditure of funds shall require a vote of four (4) members of the Board. All other action must be approved by a majority of the quorum, unless otherwise required by law.

Section 8. Open Meetings Act. The ~~Plymouth District Library-Board of Trustees~~ will maintain compliance with the Open Meetings Act, 1976 PA 267, at all times.

## ARTICLE VII LIBRARY DIRECTOR

Section 1. Appointment. The Library Director shall be appointed by the Board and shall be considered the executive officer of the Library.

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Section 3. Attendance at Board Meetings. The Library Director or his/her representative

shall attend all meetings of the Board, unless otherwise directed by the Board President.

ARTICLE VIII  
AMENDMENTS

~~Section 1.~~ These by-laws may be amended at any regular meeting of the Board by a majority vote of all members, provided the amendment was presented in writing at the previous regular meeting.

Adopted by the Plymouth District Library Board of Trustees at its regular meeting on March 15, 2023.

ARTICLE IX  
PURPOSE

The purpose of the Library will be to operate for educational and scientific purposes, including, for such purposes, supporting other educational or community organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code. Notwithstanding any provision in these bylaws to the contrary, the Board of Directors shall at all times operate the Library in accordance with applicable Michigan law.

ARTICLE X  
DISSOLUTION

In the event of the dissolution of the Library, the remaining assets of the Library shall be disposed of in the following manner; after paying or making provisions for the payment of liabilities of the Library, the Board of Directors shall distribute the remaining assets of the Library (except assets held upon condition requiring return, transfer or other conveyance in the event of dissolution, which assets shall be returned, transferred or conveyed in accordance with those requirements) in the manner described in the Library's Organizational Plan, or if the Organizational Plan does not specify the manner of dissolution, to an organization or organizations exempt from federal income tax under Section 501(c)(3) or Section 501(c)(4) of the Code as designated by the Board of Directors. Any assets not so disposed of, for whatever reason, shall be disposed of by the order of the Circuit Court for the County of Wayne, State of Michigan, to such organization or organizations described in Section 501(c)(3) of the Code as the Court Selects.

By

\_\_\_\_\_  
Eric  
Bacyinski  
Secretary

PLYMOUTH DISTRICT LIBRARY BOARD OF TRUSTEES  
BY-LAWS

ARTICLE I  
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Section 1. ~~Establishment.~~ This organization shall officially be known as the Plymouth District Library. ~~However, this organization may also be referred to as the Plymouth Dunning-Hough District Library.~~

**Commented [SA1]:** The District Library Agreement contains the name. I'm assuming it s the Plymouth District Library. I have never heard it referred to otherwise.

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Commented [SA2]: Just to clarify that this is not required by law

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ARTICLE X  
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By

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Eric  
Bacyinski  
Secretary

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