

NATIONAL RAILWAY  HISTORICAL SOCIETY

February 7, 2005

To the NRHS Board of Directors:

After a thorough study of all the issues involved, the NRHS Bylaws Committee recommends that the Society adopt an entirely new set of Bylaws rather than continuing to modify the existing document.

On April 10, 2005, the proposed Bylaws will be presented for approval by the Board of Directors at the spring 2005 meeting in Cumberland, Maryland. If approved by the Board in Cumberland, the proposed Bylaws will be presented for ratification by the membership at the Annual Meeting in Portland, Oregon in July. They will go into effect immediately. The NRHS national leadership endorses the new Bylaws proposal and urges its approval on this schedule.

This is the first of two mailings you will receive in preparation for Board action in Cumberland. The current mailing is a detailed Commentary describing the proposed Bylaws. The Commentary lists all changes of substance between the current and proposed Bylaws, summarizing both the current and proposed wording and the reasons for making the change. The Commentary does not detail all the specific wording changes and reordering of sections that are necessary to make the Bylaws consistent and understandable. These are simply too numerous to list.

The Notice of Meeting mailing, about March 1, 2005 will include a copy of the proposed Bylaws document itself. It will also include instructions for absentee voting by Chapters whose National Director cannot attend or which cannot send an Alternate Director to the April meeting.

Copies of the current Bylaws have been distributed previously to the Board of Directors. Additional copies are available from the National Office.

We urge the Board of Directors to review the Commentary carefully rather than waiting for the proposed Bylaws themselves. The current Bylaws and the Bylaws proposed for adoption are structured differently, making it difficult to compare specific items. The Commentary is the only document that explains WHY a particular change is proposed.

If, after reviewing the Commentary, you have questions, concerns or comments regarding the Bylaws proposal, we urge you to contact the Bylaws Committee immediately. We will make every effort to answer questions and respond to concerns before the Cumberland meeting. The Board of Directors has only limited time available during its weekend meetings. By addressing issues ahead of time, we can be sure that questions are answered completely.

You may send **questions and comments** to any of the following contacts. E-mail is the preferred communication method.


E-mail	<a href="mailto:bylaws@nrhs.com">bylaws@nrhs.com</a>
Fax	(215) 557-6740 Mark to attention of Bylaws Committee
Mail	Bylaws Committee National Railway Historical Society P.O. Box 58547 Philadelphia, PA 19102-8547

All responses to questions and comments will be sent directly to the people who submitted them. In addition, if a question or comment is raised multiple times, we may post the questions and responses on the NRHS website or include responses in the Notice of Meeting mailing. Public responses of this nature will omit names of individuals and chapters.

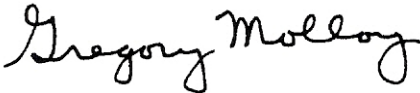
The Bylaws Committee and the National leadership both recommend that the proposed Bylaws be approved as proposed as an integrated whole. The Committee has expended considerable effort to be sure that both the language and the provisions of the proposed Bylaws are internally consistent. Any change proposed by individual chapters may have a ripple effect beyond the specific section being amended. In order to allow time to investigate the impact, we ask that any proposed amendments be addressed to the committee in writing **before** the Cumberland meeting

For additional copies of this **Commentary** and for copies of the **current Bylaws**, please contact

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## Commentary on Proposed NRHS Bylaws February 2005

### Purpose of Commentary

This Commentary is intended to explain the new NRHS Constitution and Bylaws that is proposed for adoption in 2005, replacing the current national Bylaws. Reading the proposed Bylaws themselves will only show what provisions are included. This Commentary, on the other hand, *explains* the proposed Bylaws, identifying how they will differ from the previous version and why the committee recommends certain changes and options over others for inclusion.

### Definitions

Please note the following when reading this Commentary:

- Just as it does in both the current and proposed Bylaws, the use of a male pronoun in this Commentary means either a male or female person.
- The use of a capitalized officer title without further qualification refers to a *national* officer. References to a *chapter* officer of the same name are usually not capitalized and contain a reference to “chapter” in the same sentence. A National Director representing a chapter is assumed to hold that position in both the chapter and the national organization.
- The “current Bylaws” are the Constitution and By-laws of the Society amended to June 22, 2001.
- The “proposed Bylaws” are the Constitution and Bylaws proposed for adoption in 2005.
- When the proposed Bylaws grant certain powers to “the President,” they do not require that the President exercise that authority personally or unilaterally. The President may, and usually does, involve others in the decision-making process. The intent, however, is that the administrative staff, appointed by and reporting to the President, is empowered to exercise the authority without specific prior approval of the Board of Directors.

### Proposal of New Bylaws

Rather than continue to amend the current document, we recommend that the NRHS adopt a new set of Bylaws.

The current Bylaws document has evolved gradually over the years. It is unclear how long we have been building on the original base document, but it has been at least 40 years. Some of the language and provisions appear to be much older than that.

The most recent amendments, in 1990, 1998 and 2001 addressed a small number of specific issues. The variety of language and organization in the rest of the document indicated that the same limited change process took place several times in the past as specific changes were introduced. If one reads the document from front to back, it is apparent that it has been a long time since the Bylaws were reviewed thoroughly.

The charge to the Bylaws Committee in 2004 was different. In addition to looking at some specific known problems, the committee was asked to review the entire document by several criteria. These included:

- Was it readable and understandable?
- Were the various provisions consistent with each other?
- Did it define and protect the rights of individual members?
- Did it support, rather than hinder, the future growth of the Society?
- Did it contain restrictions that were no longer necessary?
- Was it consistent with the ways the Society does business in the modern world?
- Was it consistent with the corporate laws of Maryland, the state in which the NRHS is incorporated?
- Did it contain ideas or procedures that were unclear or confusing?

Upon review, the current Bylaws failed most of those tests. The list of changes required involved substantial modifications to almost every current article. Cleaning up the worst of the language and organization problems would impact most of the remainder. The result would be a massive list of specific amendments, and the final product would still contain many of the less serious inconsistencies.

Rather than engage in a massive rebuilding on top of a weak foundation, we propose to replace the current Bylaws with a new document. The proposed Bylaws retain the provisions of the current document that still work, although the language and organization are often improved. They also incorporate the many changes necessary to reflect the way the Society needs to function today and in the future.

### **The Big Picture**

Before the proposed Bylaws become official, they must be approved first by the Board of Directors and then by the membership at the next annual meeting. In deciding whether to support this proposal, directors and members are asked to focus on the proposal as a whole. The proposed Bylaws are intended to correct many long-standing concerns and be a significant improvement over what we have today.

The proposed Bylaws are the product of much thought and discussion, with input from many members of the Society. Some of the input was gathered recently as part of this review, while other issues have been raised off and on over many years. The proposal is a serious attempt to establish consistent standards and processes that were often lacking in previous versions. Focusing on any one provision in isolation from all the others risks reintroducing the inconsistencies and confusion we are trying to eliminate.

The Bylaws provide the Society with a basic framework in which to operate. They cannot precisely define every standard or anticipate and answer every question that may ever be asked. The intent of the proposed Bylaws is to be permissive rather than restrictive in tone and application. In some cases, the details and implementation are left to the Board of Directors and the Officers rather than being spelled out here.

The proposed Bylaws continue to shift the NRHS from being an organization of organizations to being an organization of members. The national organization of the Society started out as a service organization for chapters. Earlier versions of the Bylaws placed heavy emphasis on control, assuring uniformity among chapters, and keeping unwanted people out of the organization. Some of the worst of these restrictions have already been removed in previous revisions, but many still remain. To survive in the modern world, the NRHS needs to attract members, retain its current members and be flexible when dealing with changing circumstances.

The proposed Bylaws provide a balanced approach to resolving many thorny problems. Almost everybody has something to gain from the proposed changes. At the same time, almost everybody will have to give up some privilege or advantage they have now. What is gained or lost will be different for each member, group and chapter. It is possible that some individual, group or chapter will find ways to use the proposed Bylaws to their advantage, just as they could with the current Bylaws. We can never work through and prevent all potential abuses. But the proposed Bylaws are much less open to abuse than what we have now. It is important to view them in terms of what they do for the Society in total.

Finally, it should be noted that many of the provisions of the current Bylaws are not changed and still appear in the proposed document. In many cases, the precise wording and the location are changed as part of the general cleanup and restructuring. But if the substance of a current provision is unchanged, it is not listed or discussed in this Commentary.

### **Presentation Improvements**

Replacement of the current Bylaws with an entirely new document allows us to make significant improvement in the presentation of ideas. Because the current Bylaws evolved over the years on a piecemeal basis, the structure is often confusing and the language can be inconsistent and intimidating.

One major improvement is reorganizing the structure to gather similar topics in the same part of the document. Finding a specific topic in the current Bylaws is often a difficult task. One of the most glaring examples is the matter of involuntary removals. Various provisions of Articles IV, VIII, X, XI, and XIII all deal with different aspects of throwing people out of membership or office or of preventing them from joining in the first place. Not surprisingly, the standards for each action are often inconsistent with similar actions described elsewhere. In another example, the definition of a quorum for the annual meeting is in a separate article from the other requirements of the meeting.

On the other hand, separate topics are often clustered in the same article and section, making specific subjects difficult to find without reading through the entire document in detail. For instance, Article X Section 1 concerning the Duties of the President mixes together three different topics: the job description of the President, the contents and delivery of a report at the annual meeting (a report that is never mentioned in the two separate articles about the annual meeting) and the line of succession of the officers. Article IV Section 1 discusses both eligibility for membership and use of the male pronoun in the Bylaws document.

In addition to the structural problems, the current Bylaws are burdened with inconsistent and often impenetrable language. Different parts of the document use at least four different terms for what should have been called the "Chapter National Director." Several sections mention business that may take place only at "meetings where a quorum is present," although nobody seems to know what business could take place at a meeting where a quorum isn't present. Another section requires a "full quorum" without defining how that is different from a "quorum." The first page alone has three separate sentences of over 60 words each.

### **Strengthen Rights and Representation of Members**

The proposed Bylaws continue the evolution of the NRHS from an organization composed of chapter organizations to an organization of members. The proposed Bylaws seek to strengthen the rights and representation of all members of the Society. To do so in an equitable manner requires some major changes from the way things are done now.

### **Non-discrimination:**

- Article IV Section 1 of the current Bylaws says that “any person of good character interested in the objectives of this Society” is eligible to hold membership subject to the conditions specified in the Bylaws. Other than that, there is no language prohibiting discrimination in membership policies.
- The proposed Bylaws retain the “of good character” qualification, and they also prohibit discrimination based on race, color, religious affiliation or lack thereof, national origin, sexual orientation or age.

In addition to being morally right, a broad non-discrimination policy has practical advantages to the Society. The future of the NRHS depends on its membership, and no group of people should be discouraged from joining.

The Society, its chapters and members deal with a wide variety of state and local governments and tax authorities, as well as governments outside the USA. The various authorities have different standards regarding the necessity for non-discrimination statements and policies as well as the specific forms of discrimination to be prohibited. By adopting a broad standard, the Society should be able to meet or exceed all these requirements.

It should be noted that the non-discrimination policy does not require the Society or its chapters to accept every person who applies. The “of good character” requirement remains, and a person could still be rejected or expelled because of behavior that is illegal, dangerous, disruptive or detrimental to the Society. But the decision would have to be based on acts of the individual, not on assumptions about any group of people.

Because of local regulations or insurance requirements for museum operations, some chapters may need to set a minimum age for full membership. Such chapters could still offer a more restricted youth membership, and the young person would also be free to join the national Society or another chapter that did not have this restriction.

### **Classes of Membership:**

- Article IV Section 2 of the current Bylaws establishes and describes three classes of membership: Chapter, Associate and Family.
- The proposed Bylaws redefine the three classes of membership as Chapter, At-Large and Organizational and describes the relationship of those three classes.

Family memberships will still exist. They are discussed separately in a later portion of this commentary.

Chapter membership remains much as it is today, although the rights and representation of many Chapter members are improved by other provisions of the proposed Bylaws.

At-Large membership replaces the current Associate membership. This is an improved class of membership for people who pay their national dues directly to the national society. It is not simply a new name. Unlike the current Associate members, At-Large members will be represented on the Board of Directors. Applicants for At-Large membership will no longer be subject to even theoretical review by a nearby chapter. Applicants for At-Large membership will no longer be automatically rejected if they have ever been declined membership in a chapter. And At-Large members will no longer carry the name “Associate,” which usually implies a secondary rank compared to a Chapter member. For some examples, think of two-year Associate degrees compared to four-year Bachelor degrees, Associate Professors compared to Full Professors and law firm Associates compared to Partners.

Organizational membership is a new class that covers memberships by businesses and organizations. Initially, the current Subscriptions classification, now usually counted as part of the Associate class, will move to Organizational. The Board of Directors may create additional subcategories later. Unlike Chapter and At-Large members, Organizational members are not represented on the Board of Directors and do not vote at the annual meeting.

#### **Primary and Additional Chapter Memberships:**

- Article XI Section 3 permits members who pay their national dues through one chapter to also join additional chapters. In the additional chapters (but not in the Bylaws) such members are often referred to as “Chapter-Only” members.
- The proposed Bylaws provide for better-defined classifications of Primary members and Additional Chapter members.

A Primary member is the one member of a family grouping who pays national dues at one of the Chapter or At-Large national dues rates. A Primary At-Large member pays his dues directly to the national organization. A Primary Chapter member in a given chapter is a Chapter member who pays his national dues through that chapter.

The proposed Bylaws officially use the name Additional Chapter member to replace the unofficial “Chapter-Only” terminology. An Additional Chapter member in a given chapter is a member of that chapter who pays his national dues elsewhere. Most Additional Chapter members are now and will continue to be Chapter members in other chapters. However, the proposed Bylaws do not preclude an At-Large member from becoming an Additional Chapter member in one or more chapters.

The term “Chapter-Only” has always been confusing terminology. Except for one specific exception discussed elsewhere, the proposed Bylaws will continue the current Bylaws requirement that Chapter membership must be predicated on national membership. Therefore, very few people may legally be members of only a chapter.

#### **Privileges of Family Membership:**

- The current Bylaws refer to Family membership as one of the three classes of membership, but they are vague about the role of Family members in the national organization. Article IV Section 2c prohibits Family members from receiving copies of national publications. Section 3 of the same article says that the privileges of both Chapter and Associate members shall be the same at the national level, but does not say how the privileges of Family members compare to the others.
- The proposed Bylaws recognize Family membership for what it really is, a subcategory of both At-Large or Chapter membership. The proposed Bylaws also establish that at the national level, Family members may vote at the annual meeting, serve as National Director, and hold both appointed positions and elected national offices.

Despite the wording in the current Bylaws, Family members are really subcategories of the Chapter and Associate membership classes, not a class of their own. All Family members must be associated with a Primary member in one of the other two classes. The proposed Bylaws continue this requirement.

The proposed Bylaws defer the definition of subcategories to the Board of Directors. However, we made an exception for the Family classification, since it has existed for some time, is currently rather ambiguous and includes thousands of current members. The Bylaws prohibition on Family members receiving all national publications is removed. We are not proposing any major changes, but that is a matter for the Board to decide.

The proposed Bylaws establish that Family members are treated as full members at the national level insofar as voting and holding office. The counting of Family members for purpose of representation is discussed separately. The role and privileges of Family members within each chapter continue to be governed by the bylaws of that chapter, not the national Bylaws.

#### **Criteria for Family Membership:**

- Article IV Section 2c of the current Bylaws says that Family membership is available to “the spouse, children and other relatives of a member who live at the same residence with the member.”
- The proposed Bylaws state, “Family members shall be persons residing with a primary member, without regard to degree of affiliation, or legal relationship.”

The broader definition of Family in the proposed Bylaws is included for multiple reasons. First, the current wording does not extend the qualification for Family membership to foster children, guardianship arrangements or adults sharing a residence for any of a variety of reasons. The Society benefits from every Family member who joins, so we have little to gain from restrictive practices.

The elimination of the “spouse” requirement also recognizes that both the courts and legislatures are currently struggling with the definition of marriage and who qualifies. Many states are threatening to not recognize valid marriages from other jurisdictions that do not meet their own criteria. Others are establishing domestic partner categories that are not marriages but carry most of the same benefits. By dropping the “spouse” qualification, the Society avoids the possibility of having to continually adjust its standards as different laws evolve.

In short, the NRHS does not want to be in the business of inspecting marriage licenses, birth certificates and family trees.

#### **Definition of Subcategories:**

- Article IV Section 8 of the current Bylaws gives the Board of Directors the authority to establish and define additional categories of membership. In this case, the word “categories” in Section 8 is considered to mean the same as the word “classes” in Section 2 of the same Article.
- The proposed Bylaws confine the Board of Directors’ authority to establishing and defining subcategories of the three major classes of membership.

The proposed Bylaws reflect the way we actually do business. The three major classes of membership are fixed and defined at the Bylaws level. Within those classes, the Board may establish any number of subcategories with different privileges and dues levels, so long as they do not directly conflict with the definitions of the three major classes.

To date, all of the “additional categories” established by the Board fit within these restrictions. The discounted Student members are really subcategories of either At-Large or Chapter memberships. The temporarily discounted Promotional categories are currently authorized as a subset of At-Large (Associate) membership, but can also apply to Chapter members if Promotional members transfer to a chapter before their discounts expire.

#### **Voting Directors Only With Constituencies:**

- Article VIII Section 1 of the current Bylaws grants votes on the Board of Directors to all elected officers (including Regional Vice Presidents) who are not also Chapter National Directors. These officers are entitled to vote on all subjects except the election of national officers.
- The proposed Bylaws eliminate voting privileges for officers who do not also represent constituencies of members. The guarantee of access to the Board meetings (Article VIII section 10 of the current Bylaws) remains for these officers, even though they are no longer voting directors.

One fundamental concept in the proposed Bylaws is that voting privileges on the Board of Directors should be limited to National Directors who represent constituencies of members. National officers and Regional Vice Presidents are elected by the Board of Directors, not the membership, and they do not directly represent any constituency of members. They will lose their current voting privileges when the proposed Bylaws go into effect.

As officers elected by and responsible to the Board of Directors, these officers retain their current guaranteed access to meetings to Board meetings.

#### **Weighted Voting for Chapters on Board of Directors:**

- Article VIII Section 1 establishes that each chapter is entitled to one seat on the Board of Directors. Although the current Bylaws do not state this directly, they assume that each member of the Board has a single vote, and voting has always been based on the number of directors for or against.
- The proposed Bylaws define a system of weighted voting based on the size of the constituency a director represents. The specific provisions are detailed below.

This is another major step as the Society transforms itself into a member-based organization. The current system equates to one chapter, one vote. In theory, the two smallest active chapters, representing fewer than ten members each, can outvote the largest chapter, with over 20 times the membership of the two smallest chapters combined. This severely dilutes the representation of the members of the larger chapter.

Chapters will still be entitled to one seat each on the Board of Directors. The National Directors of those chapters will be entitled to cast different number of votes depending on the size of the constituency they represent. The larger constituencies will not be entitled to additional seats on the Board, and the total number of voting directors eligible to participate will stay about where it is today.

The allocation of votes is based on a sliding scale. No chapter will be entitled to fewer than the one vote than it has today. Each additional vote a chapter gains requires a larger increment of membership than the vote before. We believe this is a reasonable compromise between the two extremes. It is certainly better than the current system, in which voting power is totally unrelated to the size of the constituency represented, if any. It also is preferable to straight proportional voting, in which a few directors representing large constituencies would completely dominate.

The measurement of chapter size in the new system will be dues dollars remitted in the previous membership year. Again, this is a reasonable compromise that takes into account each chapter's financial contribution to the funding of national operations, and therefore its "stake" in the national society. We also considered and rejected counting only the Primary members in each chapter, as this discounts completely the stake that Family members have in the Society. On the other hand, counting all members equally for representation skewed the results strongly toward chapters with many Family members, even though a Family member currently contributes only 15% as much dues income as a Primary member.

We chose dues dollars remitted rather than a straight membership count as most equitable measure of each chapter's financial stake in the operation. As dues levels change in the future, the ratio between Primary and Family dues may shift. Rather than requiring an amendment to the Bylaws to adjust for the change, a dollar-based system adjusts itself automatically.

The measurement of contribution includes only national dues, so a chapter's national representation is not affected by the level of chapter dues charged. The number of Additional Chapter members in any chapter has no impact on the chapter's voting power. Each member is counted for representation only in the chapter in which he pays national dues. A chapter's representation is also independent of the amount of financial donations made by its members, whether those donations were sent in with dues bills or remitted directly to the Treasurer.

The measurement of each chapter's contribution will be made as of October 1, and the representation will be fixed for the following year. October 1 is the date when most chapters reach their maximum size for the year. Most if not all renewals for the year have been processed, and new members who join after September 1 are considered as part of the following year's membership. The measurement is based on dollars received by the national organization, not on dollars collected by the chapters. Chapter treasurers will be well advised to clear out any lingering dues transmittals by late summer each year.

Attachment A, at the back of this commentary, shows how the votes of each chapter would be allocated if the proposed Bylaws had been in effect on October 1, 2004. Of course, the actual allocation for 2006 will be determined on October 1, 2005.

The weighted voting system will add some complexity to the operations of the Board of Directors, but it will be manageable. In recent years, most Board votes have been voice votes and pretty one-sided. Any Board member may still challenge a voice vote and ask for a show of hands or even a roll call vote. Weighted voting will slow down the Board a little at times when the Board is sharply divided or when management does not enjoy the confidence of the Board of Directors. But those are times when the Board should be acting more slowly and deliberately anyway.

The new weighted voting system will adjust each chapter's theoretical power closer to its size. But a chapter's real influence on the national level will continue to be determined by the degree to which it participates, both on the Board of Directors and in national programs in general. A small chapter that is active in national programs and sends its National Director to most Board meetings will have more impact than a large chapter that few people ever see. The one vote that is actually used on either side of an issue is more important than the four that aren't used at all.

### **Representation for At-Large Members:**

- The current Bylaws do not provide any representation on the Board of Directors for Associate members.
- The proposed Bylaws provide for representation of At-Large members on the Board of Directors.

Our current system, which excludes over 18% of our members from any representation on the Board of Directors, is certainly inequitable. If it were ever tested in court, it may well prove illegal as well. In addition, Associate membership has been growing over the years, while chapter membership is declining.

The proposed Bylaws provide for seats on the Board of Directors for representatives of the At-Large members. The total voting authority of the At-Large membership is determined by the same curve that determines the voting authority of individual chapters. The number of votes on the Board is then distributed among multiple At-Large National Directors. Because of this vote distribution, no single At-Large Director will cast more votes than the largest chapter.

When the proposed Bylaws go into effect, the number of At-Large National Directors will be fixed at five, with another to be added should the evenly distributed votes per director exceed the voting power of the largest chapter. The Board of Directors may change the number of At-Large National Directors in the future.

Initially, the President will appoint the At-Large National Directors to one-year terms. The current Associate members were polled in 2004, and the majority of those who responded preferred to start with appointment rather than direct election. The proposed Bylaws include this appointment system as a temporary first step and allow the Board of Directors to change it in the future. At-Large National Directors will participate in developing and approving any such future changes. Only those members who pay their national dues directly to the national society will be eligible to serve as At-Large National Directors.

Attachment A, at the back of this commentary, shows how the votes of At-Large National Directors would be allocated if the proposed Bylaws had been in effect on October 1, 2004. Of course, the actual allocation for 2006 will be determined on October 1, 2005.

### **Alternate Directors for At-Large Directors:**

Because At-Large National Directors have no chapter organizations behind them to appoint Alternate Directors, they may appoint their own Alternate Directors. Any At-Large National Director who cannot attend a meeting of the Board of Directors may appoint another At-Large member to act as an Alternate Director in his place on any business at a Board meeting on which the National Director has not already voted in absentia. The Alternate Director must present written authorization to the Secretary in a similar manner as an Alternate Director from a chapter.

### **Quorum for Board of Directors Meetings:**

- Article VIII Section 7 of the current Bylaws sets a quorum of the Board of Directors at 15% of the number of Directors.
- The proposed Bylaws set as quorum as a number of National Directors representing 15% of the number of votes on the Board.

This change is consistent with the switch to an weighted voting system.

Attachment A, at the back of this commentary, shows how the quorum would be calculated if the proposed Bylaws had been in effect on October 1, 2004. Of course, the actual quorum for 2006 will be determined on October 1, 2005.

#### **Board of Directors Executive Committee:**

- The current Bylaws have only one provision for Board of Directors action between the three regular meetings, and that is calling a special meeting of the Board of Directors.
- The proposed Bylaws establish an Executive Committee of the Board of Directors to act for the Board on certain urgent matters between regular Board meetings.

Normally, the Board of Directors meets only three times per year, and the gap between the fall and spring meetings can be as long as six months. The business of the Society goes on, however, even when the Board is not in session to perform its oversight function. Some business can be deferred to the next regular meeting. Other business requires immediate action. Since special meetings of the Board of Directors are expensive and difficult to arrange, this usually forces management to act unilaterally without input or consent from the Board of Directors.

Fortunately, we have been lucky so far. Such situations are rare, and we have sometimes been able to work around them. For instance, our landlord in Philadelphia was willing to wait three months after negotiating a lease extension for approval by the Board. But a situation could arise at any time that could force management to act without involving the Board.

To deal with such situations, the proposed Bylaws establish an Executive Committee of the Board of Directors. The purpose of this committee would be to provide Board of Directors input and approval in certain urgent situations when either calling a special Board meeting or waiting until the next regular Board meeting would be impractical.

Some examples of issues that would go to the Executive Committee for approval would be:

1. Suspension of an elected officer pending action to remove him for cause or a determination of competency,
2. Termination of a convention agreement and/or award of a convention to a replacement host chapter,
3. Major deviations from the approved budget and/or business plan to meet urgent needs,
4. Major contractual obligations that must be approved before the next regular meeting.
5. Appointment of a Special Master to investigate serious allegations against an individual member or a chapter.

The Executive Committee will be a standby committee that does not meet on a regular basis. When required, the Executive Committee could be activated by either the President or a quorum of the Board of Directors. In matters concerning the suspension of the President, the Senior Vice President can also activate the committee.

When the Executive Committee acts in place of the full Board of Directors, it is required to report its actions to the Board at its next meeting. The Board of Directors may assign the Executive Committee to investigate an issue and report the facts to the Board. In addition, if the Board of Directors does not believe it has sufficient information to act on a specific item, it may authorize the Executive Committee to act for it when more information is available.

The Executive Committee consists of five National Directors. The members of the Executive Committee have one vote each, and decisions are determined by plurality of votes cast. The Executive Committee may meet and act by conference call, instant messaging or other electronic means in addition to a physical meeting.

Membership on the Executive Committee is limited to National Directors. Members of the committee may also hold elected or appointed office in the national organization. In that case, however, they would have to disqualify themselves from consideration of their own suspension or approval of management actions in which they were personally involved.

The members of the Executive Committee serve one-year terms and may be reappointed multiple times in succession. The President presents five nominees to the Board of Directors for their approval at their fall organizational meeting. The Board may substitute its own choices for one or more of the President's nominees.

A vacancy on the Executive Committee could occur in the event that a committee member dies, does not renew his membership or is replaced as National Director by his constituency. In the event of such a vacancy, the President makes an interim appointment to the Executive Committee, subject to the approval of the majority of the remaining committee members and then the Board of Directors at its next regular meeting.

#### **Notice for Special Meeting of Board of Directors:**

- Article VIII Section 4 of the current Bylaws requires 15 days written notice for a special meeting of the Board of Directors.
- The proposed Bylaws extend the notice requirement to 30 days, the same as required for a regular meeting.

The provision for a special meeting of the Board remains in the proposed Bylaws as a contingency for unusual circumstances, such as a very heavy workload, or severe weather preventing a quorum from attending the fall organizational meeting.

However, with the Executive Committee in place, it is less likely that the Board would have to be called into session on an urgent basis. Also, a notice mailed only 15 days ahead of the meeting would prevent many people from purchasing the lowest price airline tickets. That would limit attendance to only those National Directors who could comfortably drive to the location. For these reasons, the minimum notice for a special meeting is increased to the same 30 days as is required for a regular meeting.

#### **National Management Right to Reject Chapter Applicants:**

- Article IV Section 5 of the current Bylaws gives the national Membership Committee the right to reject the application of any new chapter member and require the chapter to refund the applicant's money. The committee consists of the Senior Vice President, the Treasurer and a third person selected by the other two. The Bylaws provide no appeals process for such a decision.
- The proposed Bylaws eliminate this provision entirely.

The provision of the current Bylaws appears to date from a time when the NRHS was much smaller and attempted to be much more exclusive than it is today. In the present day, any applicant's payment is processed and membership entered on the roster before there would be any time for review.

In a truly serious situation, national management could initiate action to remove a new member for cause using the new procedures for expulsions discussed below.

#### **Banning of Rejected Chapter Applicant from Associate Membership:**

- Article IV Section 6 says anyone who has been rejected for membership by any chapter for any reasonable cause may not be accepted for Associate membership. Article XI Section 10 allows the rejected member to appeal this decision to the Board of Directors, but the Board must formally determine that an injustice has been done before it can even consider granting the wronged person Associate membership.
- The proposed Bylaws eliminate the provision in Article IV in its entirety. The proposed Bylaws replace the appeal process in Article XI with a new uniform process.

The current requirements are both unacceptably harsh and too vague to enforce. Since there is no time limit mentioned, it appears that this is a lifetime ban on Associate (now At-Large) membership for the rejected person.

There is no definition of reasonable cause, or to whom it must be reasonable. For instance, rejecting a new applicant who is accused of having an affair with the chapter president's spouse may seem like a perfectly reasonable basis to the chapter officers, but should it prevent that person from being an At-Large member? If a chapter has a minimum age for membership, being under that age would appear to be a reasonable cause to the chapter.

#### **Appeal of Member Expulsion from a Chapter:**

- Article XI Section 10 describes the appeal process for reinstatement to Associate status of a member expelled from or denied renewal in a chapter. The expelled member may be converted to Associate status only if the Board of Directors, after hearing all evidence on both sides of the dispute, "is convinced" that an injustice was done to the member. There is no specification of what level of vote demonstrates being convinced. The ruling of an injustice does not guarantee the expelled member the right to conversion to Associate status. It only allows the Board to consider that option. The current Bylaws make no mention of the expelled member's right to join another chapter.
- The proposed Bylaws grant the President the authority to convert a member expelled from a chapter to At-Large membership without action by the Board of Directors. The expelled member may also join another chapter if his application is approved by the other chapter. If the President declines to convert the expelled member to At-Large membership, the member may appeal his case to the Board of Directors. The Board will appoint a Special Master to investigate the matter, interview people on both sides of the dispute, and report to the Board on the facts of the case. After review of the report, the Board may overturn the President's ruling and grant At-Large membership by a majority vote.

The provisions of the current Bylaws are so impractical that they are usually ignored when such a dispute arises. Some expelled members have been quietly converted to At-Large status and others quietly turned away depending on the information available. All this was done, however, without Bylaws authority and with no appeal process.

The new process recognizes that some legitimate causes for expulsion from a chapter (for instance, a business dispute) should not disqualify a person from membership in the national organization. This process parallels the standard process for expulsions described elsewhere in this Commentary, except that it requires only a majority vote of the Board to order a reinstatement. If the chapter that expelled the member objects to the decision of the President or another chapter to readmit the person, they may initiate an action under the expulsion process.

#### **Procedure to Expel a Chapter:**

- The current Bylaws contain no standard or procedure to expel a chapter from the Society,
- The proposed Bylaws allow a chapter to be expelled for conduct or actions detrimental to the Society or its purposes, or for significant and continuing violation of the Bylaws or lawful actions of the Board of Directors. If a chapter is expelled, some of its members may be allowed to transfer their membership to other chapters or At-Large status, but this decision will be made on an individual basis.

The lack of regulation in the Bylaws did not mean a chapter could not be expelled. There simply wasn't a predictable set of standards or due process for doing so. The proposed Bylaws include expulsion of a chapter in the standard process discussed below.

#### **Uniform Procedures on Expulsions:**

- Article VIII Section 12 of the current Bylaws describes the process for removal of a National Director from the Board. Article X Section 9 describes the process for removal of an elected officer. Article XIII Section 3 describes how the Board of Directors can expel a member at the national level. The various processes are not consistent with each other. Many include provisions for trials before the Board of Directors, with both sides presenting witnesses and the Board acting as the jury. As discussed above, there is no defined process for the expulsion of a chapter.
- The proposed Bylaws provide a uniform process for handling of removal of a National Director, removal of an Officer, removal of a member, and removal of a chapter. A member, chapter or Officer may make an accusation that could be grounds for removal or directly request a removal to the President or the Board of Directors. The President will appoint a Special Master to investigate the matter, interview people on both sides of the dispute, and report to the Board on the facts of the case. If the accusation is against the President, or if the Executive Committee is not comfortable with the President's choice in any dispute, the Executive Committee may appoint its own Special Master. After review of the Special Master's report and any written rebuttals filed by the parties in the dispute, the Board may order the offending party removed by a minimum of two-thirds of the votes cast.

In many cases, the person appointed as a Special Master would be a member of the Society. However, someone who is not a NRHS member could be appointed if a situation requires someone with specialized skills or a completely independent standing.

The current provisions for expulsions and removals are inconsistent and impractical. The removal of an Officer requires a formal order to comply followed by a trial with witnesses followed by a two-thirds vote of the Board. These steps are limited to regular meetings of the Board, virtually guaranteeing that the process could not be completed during the officer's current term of office. Other removals and expulsions require only a majority vote and can be addressed at special meetings of the Board. In fact, conducting the specified trials would be virtually impossible within the time constraints of a regular Board meeting and would require a special session.

Parts of the proposed process have actually been used on a few occasions in the last decade to resolve disputes. For instance, several years ago the Officers received accusations that a chapter had a policy barring minority and single women members and had turned away two prospective members on those grounds. The President appointed a respected member of the Board to travel to the chapter, separately interview the accuser, the chapter officers, and if possible the allegedly rejected applicants, and report back with the facts. The investigator determined that the chapter had no such policy, the people supposedly turned away from joining were casual museum visitors who had not asked about membership, and the person making the accusation had a history of mental illness. These facts were reported to the Board and the matter was dropped.

### **Provide Flexibility for Growth**

Some aspects of the current Bylaws are barriers to expansion of the Society and its services. The proposed Bylaws remove some of these barriers.

#### **Other Lawful Purpose:**

- Article II of the current Bylaws list four specific objects within the general purpose for the Society.
- The proposed Bylaws permit the Society the flexibility to engage in "any other lawful purpose" as well as those specifically listed.

Currently all of the Society's national operations fall under the objects listed. Both technology and our potential customer base for services continue to evolve, however. If a new opportunity should develop in the future, the officers and Board of Directors should not be constrained by Bylaws language developed several decades ago.

#### **Existing Organizations Joining the NRHS:**

- Article XI Section 3 of the current Bylaws states in part, "Chapter membership shall in all cases be predicated upon national membership." No exceptions are permitted for existing independent organizations joining the NRHS as new chapters.
- The proposed Bylaws permit the President to exempt some of the current members of an existing organization from the requirement to join the NRHS when the organization becomes a chapter of the NRHS. This limited exemption does not extend to people who join the chapter after its affiliation with the NRHS, nor does it exempt the new chapter from the minimum membership levels required to form a new chapter or maintain active chapter status.

This limited exemption authority apparently existed in the past, either because of Bylaws provisions since removed or because past management ignored this restriction. For instance, when the independent Central Coast Railway Club affiliated with the NRHS, a few of their members objected to having to join and pay dues to a national society. The President at the time authorized the new chapter to retain those specific members as independent members of the chapter organization without requiring them to join the NRHS. Over the years, all of those exempted members have joined the NRHS, dropped out of the chapter or passed on, and Central Coast Chapter members are now all NRHS members.

In the last few decades, however, we have not had this exemption available to us, and it has cost us several potential chapters. We have been approached by officers or members of several existing clubs about affiliating with the NRHS, but little has ever come of it. In several cases, the story has been the same. A minority of members (and in one case, a single long-time member) objected to joining any national organization or the NRHS in particular and threatened to resign if forced to. Rather than force a split, the other members have either dropped the affiliation idea or formed an independent chapter much smaller than the nearby museum.

The provision in the proposed Bylaws will allow us to exempt some people who joined the local organization before it became an NRHS chapter from the requirement to join the NRHS. These people would not, of course, receive the Bulletin, qualify for convention pre-registration or be eligible to hold elective office in the chapter.

#### **Assistant Treasurer:**

- Article X Section 10 of the current Bylaws permit officers to “designate or appoint others to assist in the performance of their assigned tasks.” However, Section 5 of the same article does not extend check-writing authority to a duly appointed Assistant Treasurer.
- The proposed Bylaws extend check-writing authority to an Assistant Treasurer.

This change will permit the Society to be more flexible in the way it pays its bills. This change is particularly urgent because the 2006 NRHS Convention will be managed directly by the national organization. Since there is no host chapter, the national organization must provide a convention treasurer to receive the income, pay the bills and oversee the convention bank account. Under the current Bylaws, only the national treasurer may issue checks to pay the convention expenses, and the national treasurer already has more than enough work to do. This change will permit the Society to designate an Assistant Treasurer to act as the convention treasurer. It will also permit similar flexibility in the future as other situations develop.

#### **Eliminate Unnecessary Restrictions**

The current Bylaws contain many restrictions on chapter and national operations. Some of these restrictions are based on obsolete assumptions, while others are well intentioned but simply unenforceable.

#### **Office of Chairman:**

- Article X Section 1 of the current Bylaws establish an elected office of Chairman of the Board with no defined duties except to act in an advisory capacity. Article IX Section 5 requires that if the office becomes vacant, the Board of Directors must fill it at its next regular meeting.
- The proposed Bylaws eliminate the elected office of Chairman of the Board.

For most of the Society's history, the Chairman position was restricted to people who had previously held the office of President. The Board was not required to fill this position, as there were often times when no living past President was willing to serve or acceptable to the Board. All indications are that the Chairman position was intended primarily as an honorary retirement position for a former President, while still guaranteeing him access to Board of Directors meetings. Only in recent years were the Bylaws changed to open the office to people who had not served as President and to require it to be filled. The duties were never changed.

The office of Chairman is a source of confusion, especially to those outside the NRHS. People and organizations sometimes attempt to contact the Society through the Chairman rather than the President or the national office on the assumption that the Chairman is the chief executive officer. Many people assume the Chairman is in charge of the Board of Directors meetings. The current Bylaws specifically state (Article X Section 2) that the President, not the Chairman, presides at Board of Directors and membership meetings.

From time to time, suggestions have been made that the duties of the Chairman should be expanded, although no specific additional duties have been proposed. We believe that with the creation of the Executive Committee, there is no need for an expanded Chairman position.

We also believe that an advisory position to the officers is best handled as an appointed position. This has been done in the past. For instance, the late Dana Dawes served for several years as the appointed Counselor to the President during the time the Bylaws barred him from consideration as Chairman. An advisor will be effective only if he has the confidence of those he advises. Requiring that advisory position to be chosen and annually elected by the Board makes no sense, nor does the requirement that the position be filled immediately should it become vacant.

The President has assured the Committee that the current Chairman will be appointed to a position of Chairman Emeritus when the proposed Bylaws are adopted.

#### **Requirement to Hold an Annual Convention:**

- Article XII Section 1 of the current Bylaws says that the Society must have an annual convention.
- The proposed Bylaws permit the Society to have an annual convention, but do not require it.

This current requirement appears to be obsolete in today's environment. Already, the national organization is directly managing the 2006 convention because all 170-plus NRHS chapters declined to sponsor a convention that year. So far, no chapter has indicated a willingness to sponsor a national convention in 2007, and the national organization lacks the resources to directly manage national conventions in two consecutive years.

Dropping the requirement that the Society must have an annual convention and allowing more flexibility in the timing of the Annual Meeting (see below) gives the officers and Board of Directors the flexibility to deal with the current situation. If a willing host chapter presents an acceptable proposal, the Board is free to accept it and proceed with a traditional convention. If no acceptable proposal is made, the Board may then choose to operate a nationally managed convention or to substitute one or more smaller regional conventions or a summer Board of Directors meeting.

### **Timing of Annual Meeting:**

- Article VI Section 1 of the current Bylaws requires that the Annual Meeting be held in conjunction with the annual convention.
- The proposed Bylaws permit the annual meeting to be held separately from the annual convention in a year when there is no national convention or when that convention takes place after September 15.

The current requirement is based on two assumptions: the Society will hold a national convention every year, and the convention will always be held in the summer. The proposed Bylaws no longer require the Society to hold a convention each year. In addition, neither the current nor the proposed Bylaws require that the convention be held during the traditional summer period. For instance, before railroad operating conditions forced a change, the approved plan for the 2002 convention in Williams, Arizona was to hold the event in October. Under some circumstances, holding the annual meeting outside the summer period could cause logistical problems with organizing the Board of Directors and implementing Bylaws changes in an orderly manner.

### **Deadline for Nominations:**

- Article IX Section 3 of the current Bylaws establish a firm deadline of September 15 for candidates for elective national offices to file with the Secretary.
- The proposed Bylaws modify the requirement to the earlier of September 15 or 45 days before the election.

For many years, the Bylaws required that the fall Board of Directors meeting, at which the annual elections take place, must be held on the second Sunday in November. The September 15 nomination deadline allowed almost two months for candidates for a contested election to campaign for the office. It also allowed time for the Secretary to notify directors of the contested election and to set up procedures for absentee voting.

In recent years, the restriction on the timing of the fall meeting was changed to allow it to take place on any weekend in October or November. The nomination deadline was not changed. As a result, the election could take place as little as two or three weeks after the close of nominations. Such an election would be chaotic to administer and would invite abuse by a well-prepared "surprise" candidate.

This change does not impact the current process or timetable for the Nominating Committee, which is still required to file its nominations on or before August 1.

### **Bulletin Staff Hierarchy:**

- Article X Section 6 of the current Bylaws requires that a staff position called Managing Editor shall be second in charge of the Bulletin.
- The proposed Bylaws drop that requirement entirely.

The structure and job duties of the Bulletin staff have always been the responsibility of the Editor, who is in turn responsible to the President and the Board of Directors for the operation of the production and quality of the Bulletin. We believe, and the Editor concurs, that there is no need for the Bylaws to specify who is second in command.

### **Membership Application Design:**

- Article IV Section 4 says the Board of Directors must approve any membership application form. By logical extension, this also means that any changes to the application form must be approved by the Board.
- The proposed Bylaws drop this requirement entirely.

This requirement is unnecessary and if strictly enforced could disrupt the business operations of the Society. Members of the national staff, reporting to the President, are the primary customers for the information on the membership application forms, not the Board of Directors. The administration, therefore, should be responsible for designing both paper and electronic forms that clearly explain and solicit the necessary information. Responding to current business needs often requires that the staff introduce new forms or change existing ones without waiting for Board approval.

Under the proposed Bylaws, the Board could still intervene and direct a change if the administration issued forms that did not reflect membership conditions specified by the Board.

### **Acceptance of New Chapter Member:**

- Article IV Section 5 of the current Bylaws says that an applicant for Chapter membership must be acceptable to at least a majority of the local chapter membership.
- The proposed Bylaws drop this requirement entirely.

The standards and procedures for acceptance of new members in a chapter is a matter for individual chapters to decide, not the national bylaws. The national organization has no means to monitor or enforce the current requirement. Removal of the current requirement does not, however, permit a chapter to adopt a discriminatory standard.

### **Chapter Review of Associate (At-Large) Applications:**

- Article IV Section 6 of the current Bylaws require that an application for Associate membership from a locality where a chapter exists must be sent to the President or Secretary of the local chapter for information and comment.
- The proposed Bylaws drop this requirement entirely.

This requirement is currently ignored because it is vague, obsolete and meaningless. Adherence to this requirement would burden the Society with significant additional and unnecessary paperwork. First, the requirement is apparently linked to the current provision that rejection of an applicant by any chapter bars that person from Associate (At-Large) membership. As discussed earlier in this commentary, that provision is also eliminated in the proposed Bylaws. Second, it assumes that the only chapter to which a prospective Associate member would have previously applied is the one physically closest to his current address. Third, it doesn't actually require the national organization to do anything with the comments received from the chapter. And fourth, it doesn't define what "locality" means. Is it the same city, the same state, 30 minutes driving time or what?

### **Restriction on Chapter Dues Levels:**

- Article V Section 2 of the current Bylaws states (in part), “Chapter dues shall be fixed at a rate only sufficient to defray the necessary operating expenses of the local chapter under normal conditions.”
- The proposed Bylaws drop this requirement entirely.

Since chapters are corporations or clubs separate from the national organization, it is questionable whether this provision is even legal.

This requirement is currently ignored because it is unenforceable and would be an unreasonable restriction on chapter leadership. In fact, the national organization has recently modified its Membership Records systems to permit multiple dues levels in an individual chapter, even though this is technically illegal under the current Bylaws.

The current provision is unenforceable without adding a major reporting burden on the chapters, who are not currently required to share their budgets with the national organization. It is also bad management, as it does not permit chapters to adjust their dues for unusual or temporary situations, to build any cash reserves or to establish higher contributory dues levels.

### **Continuation of Chapter Officers:**

- Article XI Section 5 of the current Bylaws states (in part), “Chapter officers shall hold their respective positions until their successors are elected or appointed.”
- The proposed Bylaws drop this requirement entirely.

This is another matter that should be left to the individual chapter bylaws. It is unclear why this provision is in the national Bylaws except possibly to avoid the complication of dealing with a vacant officer position in a chapter. Strictly interpreted, the current provision could mean that chapter officers who refuse to allow new elections must continue to be recognized as the legitimate office holders by the national organization.

### **Regulation of Attendance at Chapter Meetings:**

- Article XI Section 11 of the current Bylaws regulates attendance at chapter meetings. It allows chapters to bring in guest speakers and entertainers. It allows chapters to invite guests “within reasonable limitations” for the purpose of interesting those guests in membership. It prohibits chapters from having “permanent guests” at their meetings.
- The proposed Bylaws drop this provision entirely.

The regulation of who may attend chapter meetings is a matter that should be left to individual chapters. The current restrictions could be interpreted to prohibit occasional guests who are neither presenting a program or interested in joining and also to prohibit joint meetings and programs with another organization.

### **Alignment with Current Business Practices**

The current Bylaws contain numerous restrictions that are inconsistent with current NRHS business practices. In most cases, these restrictions are obsolete because the size and scope of the Society has changed and technology has evolved since they were originally written.

**Authority to write checks:**

- Article X Section 5 of the current Bylaws permit officers other than the Treasurer to sign checks ONLY IF the Treasurer is incapacitated, dies or resigns or if the other officers obtain a specific resolution of the Board of Directors for the expenditure.
- The proposed Bylaws remove this restriction and allow the President, Senior Vice President, Secretary and General Counsel to write checks at any time.

The current restriction is impractical in the modern business world. Strict adherence to this provision would cause unnecessary delay in paying staff and suppliers and in reimbursing the Treasurer's expenses. Today, the President reviews and approves the Treasurer's business expense reimbursement claims and signs the checks. The Senior Vice President routinely issues checks to cover national office expenses and Bulletin expenses. Both officers occasionally issue other checks when the Treasurer is unavailable.

Another change, discussed elsewhere, also allows the appointment of an Assistant Treasurer with authority to write checks.

**Other Financial Instruments:**

- Article X Section 5 of the current Bylaws says that without a resolution by the Board of Directors money may be withdrawn from Society accounts only by checks or drafts signed by the Treasurer.
- The proposed Bylaws expand this authority to checks, drafts and other financial instruments authorized by the Treasurer. As discussed above, this authority may also be exercised by one of the other Officers or an Assistant authorized to do so.

The current wording of the Bylaws dates from the days when all financial transactions were conducted with pieces of paper manually signed and compared to signature cards. In today's business environment, the Treasurer and others authorized by him must initiate electronic funds transfers and other financial instruments as well as paper checks.

**Eliminate Membership Committee:**

- Article IV Section 7 of the current Bylaws establishes a Membership Committee consisting of the Senior Vice President, the Treasurer and a third person selected by the other two. Section 5 of the same article requires that this committee receive all applications for Chapter membership and gives the committee the authority to decline the applicant for any reason and require the chapter to refund the applicant's money. Section 6 of the same article gives the Membership Committee similar authority over Associate member applicants. Sections 5 and 6 also charge the committee with collecting information on applicants rejected by chapters, for the implied purpose of preventing rejected applicants from joining through other chapters or as Associates.
- The proposed Bylaws eliminate the Membership Committee entirely.

In reality, the Membership Committee has not functioned as a standing committee for at least 20 years. The procedures in the current Bylaws are simply not practical given the size and scope of today's Society. The well being of the Society and the chapters depends today on attracting more people to join, not on keeping people out. The powers of the current Membership Committee are also incompatible with provisions in the proposed Bylaws that establish consistent standards and due process for rejections and expulsions.

#### **Standards for Funds Held in Trust by Chapters:**

- The current Bylaws have no specific standards for the handling of national funds held in trust by chapters, instead relying on general principles of business law to govern these transactions.
- The proposed Bylaws require that national funds held in trust by chapters be used for no other purpose than that for which they were collected. These funds must be forwarded promptly, and no more than 60 days after receipt by the chapter. The proposed Bylaws also authorize the President to make exceptions to this standard to meet specific chapter needs.

Each year, a substantial portion of the Society's annual income, primarily dues and donations, pass through the chapters. Even though these funds reside temporarily in chapter bank accounts, they are the property of the national Society and not the chapters. They are to be used only for the purposes for which they were received. From the time the funds are collected until they are delivered to the national Society, these monies have the legal status of Funds Held in Trust.

The national organization has a fiduciary responsibility to its members to establish standards for the management of these funds. In addition, the adoption of a former standard gives the Society better legal protection should a chapter ever declare bankruptcy while holding national funds.

Rather than rely on various state regulations and the courts to manage these business relationships, the proposed Bylaws set predictable and consistent minimum standards for funds held in trust. Without specific prior approval, each chapter treasurer must remit these funds to the national Society within 60 days of receipt. This should allow adequate time for checks payable to the chapter to clear the bank and payments to the national Society to be consolidated.

The President has the authority to authorize specific exceptions to this standard and report the exceptions to the Board of Directors. This provision recognizes that the Society must occasionally allow for special circumstances, such as minimizing expensive service charges for international funds transfers.

The proposed Bylaws do not require that chapters keep funds held in trust in separate bank accounts from other chapter funds, or that they pay interest on these funds. The proposed Bylaws also do not preclude the Board of Directors from imposing additional requirements in the future as situations change.

#### **Definition of Regions:**

- Article VIII Section 6 of the current Bylaws implies that the Board of Directors will establish Regions based on geographic boundaries.
- The proposed Bylaws permit the Board to establish regions as collections of chapters and permits the national staff, reporting through the President, to establish geographical boundaries for administrative purposes.

In reality, this is how we have functioned for at least the past 20 years. The Board has approved regions as collections of chapters and has approved requests from individual chapters to move from one region to another. The Board has allowed the national staff to establish the geographic boundaries, ranges of postal codes and other definitions to support these divisions.

#### **Eliminate Provisions for Region-less Chapters:**

- Article VII Section 6 of the current Bylaws allows chapters to refuse to join any region and to refuse to become a member of the region in which it is situated.
- The proposed Bylaws eliminate this provision.

The current wording appears to be a holdover intended to calm people's fears when regions (and Regional Vice Presidents) were first established to replace the former system of Directors-At-Large. For at least the last 20 years, no chapter has exercised this right. Regions are now created primarily for administrative purposes and to establish the districts for Regional Vice Presidents. The proposed Bylaws make no requirements that any chapter participate in regional activities or the Regional Vice President election process, and chapters are not required to provide any financial support for their regions. In the last 20 years, the Board of Directors has never turned down a request from a chapter to move from one region to another.

#### **Reinstatement of Lapsed Member:**

- Article XIII Section 2 of the current Bylaws state that a member who has been suspended for late payment of dues may submit an application for reinstatement.
- The proposed Bylaws simply state that a member who has been suspended for late payment of dues will be automatically reinstated for the balance of the current year upon payment of the full year dues.

The new wording reflects the way the Society currently does business. Members whose dues have not been received 90 days after December 31 are not currently required to submit an application, just to pay the money.

#### **Deadline for Appointment of Nominating Committee:**

- Article IX Section 2 requires that the President appoint the Nominating Committee not later than the first Monday after January 1 each year.
- The proposed Bylaws move the appointment date back to March 1 of each year.

The current deadline is unreasonably early and falls at a bad time of the year. Since the current deadline can be as little as five weeks after the previous election, it means that the nomination and election cycle can be active for up to 11 months of each calendar year. In reality, we often miss the current appointment deadline, and nominating committees have shown that they can perform their function as long as the appointments are made before the spring Board of Directors meeting. Making the appointments in early January is also difficult because this is a busy time of year. It is right after major holidays and falls during the month when national leadership is engaged in wrapping up the fiscal year, preparing for the annual audit and organizing work for the coming year.

### **Convention Management:**

- Article XII Section 2 of the current Bylaws requires that the “first act” of a chapter whose convention proposal is accepted must be the appointment of a Convention Committee. It then requires the Convention Committee follow the “procedures and suggestions” contained in the “Convention Manual” qualified “so far as practical.”
- The proposed Bylaws require that the Board of Directors establish a standard policy governing the relationship between host chapters and the national society. They also specify that each host chapter and the national organization negotiate, sign and adhere to a letter of agreement regarding application of the standard policy and mutually agreed exceptions to it.

The current Bylaws contain several obsolete terms and concepts. First, it is important to distinguish between the “Convention Manual,” which is now a collection of advice and shared learning, from the Convention Policy, which governs the relationship between the host chapter and the Society. Second, rather than leaving it open to the different parties to determine what is and is not “practical,” the two organizations are required to negotiate the degree to which the standard policy will be applied and what exceptions are agreeable to both. Third, the new language clarifies that the host chapter itself, not its appointed convention committee, is a party to the agreement with the national organization. Finally, Bylaws references to the local Convention Committee, its purpose and the timing of its appointment are dropped, since those matters are covered in the Convention Policy.

### **Cutoff Date for Receiving Proxies:**

- Article VI Section 2 of the current Bylaws specifies no cutoff date for the counting of proxies for the annual meeting.
- The proposed Bylaws specify that proxies must be received at least 14 days before the annual meeting to be counted.

Most proxies are mailed shortly after receipt and arrive well ahead of the new 14-day cutoff date. However, some still arrive shortly before the meeting and a few arrive weeks or even months afterward. Collection and counting of last-minute proxies is difficult and inconsistent, as many national staff people begin traveling to or participating in the convention a week or more before the date of the annual meeting. The proposed standard provides a consistent and predictable cutoff time that can be included in the proxy solicitation.

### **Align with Maryland Corporate Law**

The NRHS is incorporated in the state of Maryland and operates under Maryland corporate law. A few aspects of the current Bylaws we had believed to be required by Maryland law have been shown to actually be inconsistent with it.

### **Minimum Age of Officers:**

- Article IX Section 10 of the current Bylaws require that all elected national officers, including regional vice presidents, be at least 21 years of age.
- The proposed Bylaws change the minimum age for elected officers to 18.

The 21-year minimum age was originally believed to be a requirement of Maryland law. A review of the Maryland corporate laws shows that 18 is now the minimum age for corporate officers.

### **Annual Meeting Notice:**

- Article VI Section 2 of the current Bylaws requires that the notice of the annual meeting must be mailed to every Member in Good Standing at least 45 days in advance of the meeting, but specifies no upper limit.
- The proposed Bylaws require that the notice of the Annual Meeting be mailed at least 45 days, but no more than 90 days, before the date of the annual meeting.

A review of the Maryland corporate laws shows that the actual requirement is that the notice be mailed a minimum of 10 days before the meeting and a maximum of 90 days before the meeting. Because the Society's notice often includes a mail-in proxy card, the 45-day minimum was retained to allow adequate time to return the proxies. That timing is also consistent with establishing a 14-day cutoff for the counting of proxy cards, as discussed elsewhere in this commentary.

### **Clarify Unclear Language or Concepts**

Because the current Bylaws have evolved piecemeal over many years, the terminology is often not consistent. In some cases, this has led to confusion because terms or concepts are neither defined nor intuitively obvious. The proposed Bylaws remove some of that ambiguity.

### **Member in Good Standing:**

- Article V Section 3 of the current Bylaws state that Members in Good Standing are all members whose dues have been paid for the current year. That definition would include any member who has been suspended for cause as a Member in Good Standing.
- The proposed Bylaws clarify that a Member in Good Standing is a member whose dues have been paid for the current year and who has not been suspended for cause.

This clarification is self-explanatory.

### **Vice President Check Signing Authority:**

- Article X Section 5 of the current Bylaws gives the Vice President backup authority to sign checks, but not the Senior Vice President.
- The proposed Bylaws correct this error and give check-signing authority to the Senior Vice President.

The current Bylaws are in error on this point. The position of Vice President is not defined in the Bylaws. Rather it is left to the Board of Directors to create and define the various vice president positions except for Senior Vice President. Therefore, the Bylaws cannot grant any specific duties and responsibilities to the office of Vice President.

### **Minimum Size of New Chapter:**

- Article XI Section 1 of the current Bylaws requires a minimum of ten members in order to charter a new chapter. It does not, however, say what kind of members are required.
- The proposed Bylaws clarify that the minimum number of members necessary to charter a new chapter is ten, eight of whom must be Primary Chapter Members in the new chapter.

The vagueness of the current language has led to some confusion in the past. Some people have favored a strict interpretation that this means head-of-household members paying their national dues through the new chapter. Others prefer a looser definition that includes Family members and Chapter-Only (i.e. Additional Chapter) members in the count. In theory, of course, this could lead to a new chapter of ten current members, all of whom pay their dues elsewhere. Or it could mean that a couple with eight children would qualify as a new chapter.

The standard in the proposed Bylaws recognizes that family members and experienced members from other chapters can play an important role in starting up and organizing a chapter. But the effort to charter and maintain a separate chapter is justified only if it will bring in a number of new members to the Society or establish a distinct identity with a number of members who consider it their home chapter.

### **Minimum Size for Active Chapter:**

- Article XI Section 12 of the current Bylaws requires that a chapter go inactive when the membership falls below five members, and requires a minimum of six members to reactivate the chapter. Again, it does not say what kind of members are required.
- The proposed Bylaws clarify that the minimum number of members necessary to maintain an active chapter is five, four of whom are Primary Chapter Members in that chapter. The minimum number to reinstate an active chapter is six, five of whom must be Primary Chapter Members in the reinstated chapter.

The argument parallels the points in “Minimum Size of New Chapter” above.

### **Appointment of Alternate Director:**

- Article XI Section 6 of the current Bylaws requires that an Alternate Director for a chapter must provide the written authorization of his chapter president in order to vote in a Board of Directors meeting.
- The proposed Bylaws clarify that either the chapter president or the person exercising the chapter president’s authority under the chapter bylaws may provide this authorization.

We have experienced some situations where a chapter could not authorize an Alternate Director to attend a Board of Directors meeting because the President, for any of a number of reasons, was unavailable to sign the authorization letter. The bylaws of many chapters have a mechanism to back up the chapter president when he is unavailable. Since the Alternate Director is attending the meeting as the representative of the chapter, the chapter bylaws should determine how he is chosen and provided with documentation.

### **Chapter Going Inactive:**

- Article XI Section 12 of the current Bylaws states that when a chapter drops below a specified minimum membership, it is placed “automatically” on inactive status.
- The proposed Bylaws state that such a chapter will be placed “administratively” on inactive status.

This is another case of an incorrect word creeping into the Bylaws in the past. There is nothing “automatic” about a chapter going inactive. Putting a chapter on inactive status requires investigation to confirm that the membership is counted correctly, attempting to contact the chapter officers to determine the status of the chapter, and manually intervening in the Membership Records system multiple times. We have no plans to automate this process.

On the other hand, it is correct that this is an “administrative” process. Placing an undersize chapter on inactive status does not require formal approval by the President or the Board of Directors.

### **Members’ Right to Attend and Speak at Board Meetings:**

- Article VIII Section 10 of the current Bylaws limit attendance at Board of Directors meetings to Directors and national officers except by invitation of the presiding officer. “However, members may attend meetings, be heard and present witnesses in the event an action of the Board may have an effect on such members or on the Chapter to which such members belong.”
- The proposed Bylaws restrict this right of access. Members are guaranteed the right to attend and to respond to questions from members of the Board during deliberations on suspension, termination or reinstatement of their own membership or that of their chapter.

The provisions of the proposed Bylaws restore what we believe to be the original intent of this clause. The current Bylaws wording appears to be unintentionally broad. If interpreted literally, when the Board discusses a dues increase, we must make provisions for over 18,000 people to attend, address the Board, and call lists of outside witnesses as well.

### **Rules of Order:**

- The current Bylaws make no reference to the order of meetings.
- The proposed Bylaws specify that the annual meeting and Board of Directors meetings will be conducted in accordance to Robert’s Rules of Order, except as otherwise provided for in the Bylaws or Maryland law.

### **Conclusion**

The proposed new Bylaws include some major changes from the way we have done business in the past. They place a higher emphasis on the rights and representation of our members. They eliminate many restrictions and requirements that are no longer appropriate in today’s environment. They modernize many out-of-date assumptions and procedures, and they give us the flexibility to deal with changes in the future. In addition, they are better organized and more accessible than the previous documents they replace.

Adoption of the proposed new Bylaws will lay the foundation for important changes in the way the NRHS does business in the years ahead. We urge that the Board of Directors and the membership approve these proposed Bylaws for implementation in the second half of 2005.

### **Next Steps**

The proposed Bylaws will be presented for approval at the Board of Directors meeting in Cumberland, Maryland on April 10. They are being distributed at this time to allow Directors to make an informed decision on their adoption.

We have set up several options to permit Directors to ask questions and raise concerns. Separate instructions are included with this mailing on how to do this.

We ask that the proposed Bylaws be approved intact at the April meeting. We also ask that any proposed amendments be raised beforehand so that we can determine how they would be integrated into the proposed Bylaws if approved. With advance information, the Board of Directors can also resolve any amendments at the April meeting.

In order to go into effect in the fall of 2005, the proposed Bylaws must be ratified by the annual meeting in Portland in July. Otherwise, it will be necessary to either call a special meeting of the membership or delay implementation until 2006.

Until ratification of the proposed Bylaws by the membership, the Society will continue to operate under the current Bylaws. During that time, we recommend that chapters review their own Bylaws to determine what, if any, changes will be needed to bring them into compliance with the national Bylaws. However, there is no need to implement those changes before the proposed national Bylaws are in effect.

**Proposed NRHS Bylaws Commentary  
February 2005**

**Attachment A**

The proposed Bylaws include the following formula to determine how many votes each chapter will have on the Board of Directors.

The first two columns show ranges of dues income paid to the national organization. The calculation includes only the national dues of Primary members and Family members. Additional Chapter members pay no additional national dues. The third column shows the increment above the previous voting level.

From	Through	Increment	Votes
\$0	\$1,000	\$1,000	1
\$1,001	\$3,000	\$2,000	2
\$3,001	\$6,000	\$3,000	3
\$6,001	\$10,000	\$4,000	4
\$10,001	\$15,000	\$5,000	5
\$15,001	\$21,000	\$6,000	6
\$21,001	\$28,000	\$7,000	7
\$28,001	\$36,000	\$8,000	8
\$36,001	\$45,000	\$9,000	9
\$45,001	\$55,000	\$10,000	10

The table is extended by one additional vote for each \$10,000 above \$55,000.

The table on the following pages shows how votes on the Board of Directors would be allocated if the proposed Bylaws were already implemented. The voting allocations would have been in effect starting at the October 24, 2004 organizational meeting in Utica, and they would have stayed in effect through most of 2005.

Please note that this is an approximation for illustration only. If the proposed Bylaws are approved this summer, the official calculation will be based on data for October 1, 2005.

**At-Large Representation:**

Under the new formula, the At-Large membership is entitled to 10 votes on the Board of Directors. Since there will be five At-Large Directors initially, they will each have two votes.

The Subscription and Complementary Subscription classes will become part of the Corporate membership class under the proposed Bylaws, and will not receive votes on the Board of Directors.

**Quorum:**

Under the proposed Bylaws, the total votes on the Board of Directors in 2005 would have been fixed at 285 votes. A 15% quorum would have been 42.75, requiring the presence of National Directors and Alternate Directors representing 43 votes.

## Proposed Voting Allocations on NRHS Board of Directors

Note: Unofficial Numbers Based on October, 2004 Membership Counts

Chapter Number	Chapter Name	Adjusted Associate	Adjusted Chapter	Adjusted Family	Student	Promotional	Total Dues	BOD Votes
Dues Rates:		\$21	\$20	\$3	\$10	\$14		
299	Associate	2459	0	398	22	29	\$53,459	10
4	Philadelphia Chapter		461	35	0	0	\$9,325	4
97	Central Coast Chapter		371	93	0	0	\$7,699	4
19	Washington DC Chapter		346	118	0	0	\$7,274	4
62	Ontario & Western Chapter		347	11	0	0	\$6,973	4
165	Bluewater Michigan Chapter		315	91	1	0	\$6,583	4
75	Long Island - Sunrise Trail Chapter		271	45	0	0	\$5,555	3
1	Lancaster Chapter		255	139	1	0	\$5,527	3
64	Saint Louis Chapter		250	111	0	1	\$5,347	3
46	Atlanta Chapter		237	108	3	0	\$5,094	3
179	Chicago Chapter		232	86	0	0	\$4,898	3
32	Pacific Northwest Chapter		232	69	0	0	\$4,847	3
3	Baltimore Chapter		234	39	0	0	\$4,797	3
85	Gulf Coast Chapter		217	66	0	0	\$4,538	3
18	West Jersey Chapter		209	15	0	0	\$4,225	3
5	Rochester Chapter		203	44	2	0	\$4,212	3
132	Lackawanna & Wyoming Valley Chapter		195	25	0	0	\$3,975	3
17	Niagara Frontier Chapter		190	48	0	0	\$3,944	3
48	Collis P. Huntington Chapter		180	88	2	0	\$3,884	3
41	Old Dominion Chapter		183	70	0	0	\$3,870	3
37	Lake Shore Chapter		171	65	2	0	\$3,635	3
215	Carolina Clinchfield Chapter		169	54	0	0	\$3,542	3
20	Central New York Chapter		168	32	2	0	\$3,476	3
45	Harrisburg Chapter		164	46	0	0	\$3,418	3
55	Intermountain Chapter		167	26	0	0	\$3,418	3
208	Connecticut Eastern Chapter		151	65	0	0	\$3,215	3
60	Heart Of Dixie Chapter		147	55	0	0	\$3,105	3
25	Wisconsin Chapter		151	16	2	0	\$3,088	3
158	Jersey Central Chapter		139	17	0	0	\$2,831	2
36	Roanoke Chapter		131	51	2	0	\$2,793	2
110	Cincinnati Chapter		135	28	0	0	\$2,784	2
116	Potomac Chapter		130	18	0	0	\$2,654	2
159	Watauga Valley Chapter		117	72	0	0	\$2,556	2
65	Mohawk & Hudson Chapter		118	35	0	0	\$2,465	2
68	Champlain Valley Chapter		119	7	0	0	\$2,401	2
193	Great Plains Chapter		109	41	0	0	\$2,303	2
16	Lehigh Valley Chapter		104	23	0	0	\$2,149	2
150	Utica & Mohawk Valley Chapter		99	29	0	0	\$2,067	2
23	Kansas City Chapter		95	17	0	0	\$1,951	2
133	Central Pennsylvania Chapter		88	46	0	0	\$1,898	2
67	East Carolina Chapter		87	29	0	0	\$1,827	2
105	Northstar Chapter		78	22	0	0	\$1,626	2
22	New York Chapter		79	2	0	0	\$1,586	2
79	North Alabama Chapter		72	43	0	0	\$1,569	2
13	Boston Chapter		77	7	0	0	\$1,561	2
21	Midwest Chapter		73	18	0	0	\$1,514	2
70	Tri-State Chapter		71	14	0	0	\$1,462	2
205	Pocono Mountains Chapter		69	23	0	0	\$1,449	2
106	North Western Illinois Chapter		71	0	0	0	\$1,420	2
129	Piedmont Carolinas Chapter		67	26	0	0	\$1,418	2
120	Pottstown & Reading Chapter		70	4	0	0	\$1,412	2
93	Horseshoe Curve Chapter		66	19	0	0	\$1,377	2
180	Southern Nevada Chapter		63	32	0	0	\$1,356	2
27	Topeka Chapter		65	10	0	0	\$1,330	2
88	Wilmington Chapter		66	3	0	0	\$1,329	2

43 Blue Ridge Chapter	63	11	0	0	\$1,293	2
169 Greenville Chapter	60	19	0	0	\$1,257	2
31 Wichita Chapter	60	19	0	0	\$1,257	2
183 Cape Cod Chapter	61	11	0	0	\$1,253	2
73 Promontory Chapter	59	21	1	0	\$1,253	2
148 Western Maryland Chapter	61	7	0	0	\$1,241	2
192 Hagerstown Chapter	58	24	0	0	\$1,232	2
147 Southern Oregon Chapter	58	18	0	0	\$1,214	2
209 United Kingdom Chapter	59	7	0	0	\$1,201	2
30 Western Connecticut Chapter	57	13	0	0	\$1,179	2
136 Bergen-Rockland Chapter	58	3	0	0	\$1,169	2
113 Delaware Valley Chapter	55	16	0	0	\$1,148	2
161 Cornell Chapter	56	8	0	0	\$1,144	2
29 Iowa Chapter	55	3	0	0	\$1,109	2
223 North Texas Chapter	54	6	0	0	\$1,098	2
207 Beaver Valley Junction Chapter	51	14	2	0	\$1,082	2
186 Hoosierland Chapter	51	15	0	0	\$1,065	2
160 North Florida Chapter	46	13	0	0	\$959	1
171 Ulster & Delaware Chapter	47	5	0	0	\$955	1
107 Blackhawk Chapter	46	10	0	0	\$950	1
99 Danville Junction Chapter	47	2	0	0	\$946	1
178 Western Kentucky Chapter	46	7	0	0	\$941	1
94 Colorado Midland Chapter	45	9	0	0	\$927	1
117 Central Florida Chapter	42	18	1	0	\$904	1
111 Central Oklahoma Chapter	44	5	0	0	\$895	1
109 Little Rock Chapter	44	3	0	0	\$889	1
118 Tampa Bay Chapter	44	2	0	0	\$886	1
188 Arkansas-Boston Mountains Chapter	41	19	0	0	\$877	1
206 Chicago & Illinois Midland Chapter	42	11	0	0	\$873	1
89 Inland Empire Chapter	42	9	0	0	\$867	1
26 Louisville Chapter	42	9	0	0	\$867	1
58 Susquehanna Valley Chapter	42	9	0	0	\$867	1
49 Old Smoky Chapter	40	20	0	0	\$860	1
10 North Jersey Chapter	42	5	0	0	\$855	1
212 Yaquina Pacific Chapter	40	17	0	0	\$851	1
198 Rappahannock Chapter	40	15	0	0	\$845	1
53 Tennessee Valley Chapter	41	8	0	0	\$844	1
47 Pittsburgh Chapter	41	5	0	0	\$835	1
66 Owensboro Chapter	40	0	0	0	\$800	1
227 Western Colorado Chapter	37	14	0	0	\$782	1
167 Leatherstocking Chapter	37	11	0	0	\$773	1
222 Western Montana Chapter	37	11	0	0	\$773	1
141 Central Texas Chapter	38	4	0	0	\$772	1
83 Winchester Chapter	36	11	0	0	\$753	1
134 Rivanna Chapter	36	10	0	0	\$750	1
82 Southeast Louisiana Chapter	36	10	0	0	\$750	1
162 Florida East Coast Chapter	37	2	0	0	\$746	1
202 Delmarva Chapter	35	10	0	0	\$730	1
125 Cumberland Valley Chapter	34	16	0	0	\$728	1
40 Winston-Salem Chapter	36	2	0	0	\$726	1
108 Mississippi Great Southern Chapter	35	8	0	0	\$724	1
92 Red River Valley Chapter	35	7	0	0	\$721	1
221 Twin Forks Chapter	33	6	0	0	\$678	1
12 Connecticut Valley Chapter	33	2	0	0	\$666	1
225 White River Junction Chapter	30	8	0	0	\$624	1
194 Kentucky Central Chapter	27	17	0	0	\$591	1
211 Grand Canyon Chapter	27	11	0	0	\$573	1
33 Tidewater Chapter	27	8	0	0	\$564	1
214 Bluebonnet Chapter	28	1	0	0	\$563	1
96 Bucktail Chapter	27	3	0	0	\$549	1
71 Tacoma Chapter	25	2	2	0	\$526	1
217 Paducah Chapter	25	6	0	0	\$518	1
57 Nashville Chapter	25	3	0	0	\$509	1
78 Hawk Mountain Chapter	25	2	0	0	\$506	1

145 Greensboro Chapter	24	8	0	0	\$504	1
213 Cotton Belt Chapter	24	7	0	0	\$501	1
149 Rio Grande Chapter	25	0	0	0	\$500	1
233 Yazoo & Mississippi Valley Chapter	24	6	0	0	\$498	1
74 Indianapolis Chapter	24	3	0	0	\$489	1
153 Asheville Chapter	23	7	0	0	\$481	1
170 Nebraska Railroad Museum Chapter	23	2	0	0	\$466	1
128 Gulf Wind Chapter	22	5	0	0	\$455	1
50 Memphis Chapter	22	5	0	0	\$455	1
210 Cochise Chapter	21	9	0	0	\$447	1
72 Old Pueblo Chapter	21	4	0	0	\$432	1
44 Miami Chapter	21	3	0	0	\$429	1
199 Wiregrass Heritage Chapter	20	2	0	0	\$406	1
231 Southwest Florida Chapter	19	8	0	0	\$404	1
151 Samuel Spencer Chapter	18	10	0	0	\$390	1
140 Enid Chapter	19	1	0	0	\$383	1
228 North Georgia Chapter	18	3	1	0	\$379	1
185 Shenango-Pymatuning Chapter	18	6	0	0	\$378	1
163 Oregon Coast Chapter	18	4	0	0	\$372	1
119 New Orleans Chapter	18	3	0	0	\$369	1
154 Central South Carolina Chapter	17	8	0	0	\$364	1
201 Suncoast Chapter	17	8	0	0	\$364	1
152 Alexander Chapter	17	5	0	0	\$355	1
84 Charleston Chapter	17	4	0	0	\$352	1
42 East Tennessee Chapter	17	3	0	0	\$349	1
69 Conneaut Chapter	17	1	0	0	\$343	1
112 West Michigan Chapter	17	1	0	0	\$343	1
218 Yadkin Valley Chapter	15	10	0	0	\$330	1
61 Arizona Chapter	15	9	0	0	\$327	1
52 Palm Beaches Chapter	15	2	0	0	\$306	1
172 Scioto Valley Chapter	15	2	0	0	\$306	1
123 Old North State Chapter	13	5	0	0	\$275	1
177 Yuma Valley Chapter	13	5	0	0	\$275	1
197 Columbia River Chapter	13	1	0	0	\$263	1
234 Bradford Ohio Chapter	12	1	0	0	\$243	1
195 Shenandoah Valley Chapter	12	1	0	0	\$243	1
144 British Columbia Chapter	12	0	0	0	\$240	1
77 Cornhusker Chapter	12	0	0	0	\$240	1
219 White Oak Chapter	11	4	0	0	\$232	1
95 Augusta Chapter	11	1	0	0	\$223	1
114 Hawaii Chapter	11	1	0	0	\$223	1
164 Cape Fear Railroaders Chapter	11	0	0	0	\$220	1
127 Overland Chapter	11	0	0	0	\$220	1
229 Longhorn Chapter	10	2	0	0	\$206	1
137 Central Sierra Chapter	10	1	0	0	\$203	1
224 Perryville Chapter	9	6	0	0	\$198	1
138 Queen And Crescent Chapter	9	4	0	0	\$192	1
142 Northwoods Chapter	9	3	0	0	\$189	1
51 Ozarks Chapter	9	2	0	0	\$186	1
189 Gulf Curve Chapter	8	2	0	0	\$166	1
196 Fort Lauderdale Chapter	8	1	0	0	\$163	1
59 Alabama Gulf Chapter	6	4	0	0	\$132	1
157 Pocahontas Chapter	6	0	0	0	\$120	1
226 Texas Eagle Chapter	5	2	0	0	\$106	1
298 Complimentary Subscriptions	71	0	1	0	0 N/A	0
296 Subscriptions	73	0	0	0	0 N/A	0
Totals:	2603	12227	3491	46	30	
<b>Total Votes on Board of Directors</b>						<b>285</b>
Quorum (15%)						42.75
<b>Minimum Votes Required at Meeting</b>						<b>43</b>