

Just One More Thing About Meetings and Minutes

11.24.14 | Linda J. Rosenthal, JD



You probably thought we've told you all you need to know about charity board meeting minutes in [*Breach of Duty by Ogling the Doughnuts*](#), [*Fun Facts About Corporate Minutes*](#), and [*Nonprofit Corporate Minutes: What Not To Do*](#).

There's just a bit more.

It's about motions and resolutions. They aren't the same. All resolutions start out as motions, but not all motions end up as resolutions. The distinction is important.

Motions

Generally, corporate board meetings – for-profit or nonprofit – are run according to some system of parliamentary procedure. We've already suggested avoiding Robert's Rules of Order like the plague. See [*Who is Robert and Should Nonprofits Follow His Rules of Order?*](#) (August 28, 2014), *FPLG Blog*.

But there has to be some kind of order. The opposite of order is chaos. Even when boards follow some kind of formal or informal rules of order, the proceedings commonly disintegrate into repetition – mind-numbingly boring and unproductive – of what the board had already discussed at one or more earlier meetings.

When new agenda items are raised for discussion, there should be some action taken – or an affirmative decision *not* to take a particular suggested action.

That's why motions are key.

“Motions are how action is proposed at a meeting run under parliamentary procedure, . . .”

A motion doesn't have to be in writing. Any director may propose a motion. As long as another director seconds the motion, the board can proceed to discuss and debate the proposed action. Discussion and debate on a significant issue may include several motions.

But – and here's the key point – “motions are generally considered actions by the board of directors and not necessarily the corporation.”

Resolutions

While a resolution starts out as a motion, it is a much formal and consequential matter.

“Corporate resolutions are written records of all formal decisions made by a company's board of directors The resolutions are binding.” They are **official** acts of **the corporation**.

At the initial meeting of a newly formed corporation, there are certain recommended – fairly standard – resolutions. They include:

- adopting proposed bylaws
- electing officers
- authorizing officers to take actions including opening bank account
- selecting corporate tax year
- designating annual meeting date
- authorizing payment of incorporation expenses
- filing documents with government, including applying for tax exemption

and later:

- approving real property transactions (purchase, lease)
- entering into major contracts
- hiring and terminating key employees
- amending bylaws
- making any important decisions

There is no required format for a resolution, but it should clearly state its purpose, and be signed by the corporate secretary, with a declaration proving that the board members took that act on behalf of the corporation.

Conclusion

From time to time, we'll add more information and advice about minutes and meetings for nonprofit organizations. There's much more to tell.

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