

Establishing NPOs– Regulatory Issues By-Law/Statute-Satzung

- 1. What are By-Laws/Statutes**
- 2. Procedures to Establish NPO By-Laws/Statutes**
- 3. 10 main Contents of By-Laws/Statutes**
 - Example:- By-Laws/Statutes - Diaspora Academic Community (D.A.C.) e.v.**
- 4. Guidelines of Frankfurt City Guide – NGO Purposes/Goals**
- 5. Reading Task for the week**

1. Procedures to Establish NPO- By-laws

1. Organize at least 7 Members
2. Develop **By-laws/ Statutes**
3. Invite founding members for meeting (Place, Time & Agenda)
4. Conduct meeting of founding members –
 - Elect 5 Boards of Directors (chair-Ass.Chair-secretary-cashier-member)
 - Founding members approve **Statutes**
 - Write Minutes of founding meeting
 - Founding members sign on both founding **Statutes & Minutes** (with – full name, Address, Date of Birth)
5. Notary or Court confirm signatures of Chairperson & Assistant-chairperson
6. Submit Statutes and Minutes to Government Authorities
Amtsgericht (Court) & **Finanzamt** (Tax office) for
 - Approval &
 - Registration of the NPO.

What are By-Laws/Statutes

- **By-Laws/Statutes are**
 - Internal rules & Guidelines to do NPO activities.
 - Necessary to register as NPO with the Government
 - Written clearly and in simple language to be easily understood by all stakeholders.

2.2. Contents of By-Laws/Statutes

Contents of By-Law/Satzung (follow Government rules)

- § 1. Name, Registered Office and Financial Year
- § 2. Objectives/Aims & Activities/Tasks of the NPO
- § 3. Members-1 – Criteria, Authority & Responsibility
- § 4. Members-2-Rights and Duties
- § 5. Exclusion – conditions to expel a member
- § 6. General Assembly- Rights and Duties
- § 7. Board of Directors- Rights and Duties
- § 8. Liquidation of the NPO– who takes Property
- § 9. Formation Clause – Who Changes By-laws
- § 10. Entry into force - Date of Effect of By-Laws

§ 1. Name, Registered Office and Financial Year

1. The name of the association is:
 - Diaspora Academic Community (D.A.C.) e.v.
2. The association should enter in the register of associations at the Frankfurt am Main Court.
3. The association has its seat in Frankfurt am Main.
4. The financial year of the association is the calendar year.

Example 1:- Frankfurt City Guide – NGO Purposes/Goals

<https://www.vielfalt-bewegt-frankfurt.de/de/seite/ziele-handlungslinien-auf-einem-blick>

Goal (1-10)	Goal (11-20)
G1: Promote communication between communities	G11: Overcome boundaries
G2: Make easier to deal with differences	G12: Counteract peer pressure
G3: Promote dialogue and networking	G13: Provide special assistance
G4: Increase participation in decision-making	G14: Communicate democratic processes
G5: Exploit the possibilities of local politics	G15: Ensure voice and participation
G6: Respect the dignity of the individual	G 16: Communicate openness to new residents and members
G7: Recognize feelings of belongingness	G17: Recognize freedom of Religion & Culture
G8: Promote free living	G18: Accept equal rights
G9: Do not overwhelm anyone	G19: Take international relations into account
G10: Recognize multiple affiliations	G20: Recognize tradition

§ 2. Objectives & Tasks of the NPO

Objectives & Tasks of DAC e.v. are:

To support Diaspora Communities

1. Promote Education (How Specify)
2. Preserve their languages & cultures (How Specify)
3. Promote Science and research (How Specify)
4. Protect from persecution (political, racial or religion) (How Specify)

§ 3. Members-1 – Criteria, Authority & Responsibility

- The association consists of
 - seven full members, five of whom are Board members.
- The board decides on the admission of full members
- Application for admission must be in writing.
- Membership ends with: Death or Withdrawal:
- Leaving member has no claim to Property.
- Membership fees are agreed by Board members

§ 4. Members-2-Rights and Duties

- Members pay Membership contribution ---.
- General Assembly decides on Membership contribution
- The contribution can be adapted without changing statute

§ 5. Exclusion – conditions to expel a member

- A member can be excluded if deliberately
 - Violates these statutes or
 - Violates the Goals of the association.
 - violation causes damage to the association.
- Board members decide on the exclusion.
- The board decision requires a 2/3 majority of the members present.

§ 6. General Assembly- Rights and Duties

1. Annual General Meeting –
 - Ordinary & Board members meet at least once a year
 - decisions are binding for all members.
2. Extraordinary General Meeting –
 - General meeting can also be called if necessary by 2/3 of members – in writing and stating the reason.
3. The general meeting decides in particular
 - on the appointment, dismissal and discharge of board members,
 - about changes to the statutes of the association,
 - about the exclusion from the association,
 - Approval of the annual accounts, the budget and special projects,
 - about the fee schedule,
 - About the appointment and dismissal of the auditor.

§ 7. Board of Directors- Rights and Duties

1. Board of Directors manage the association.
2. Board of Directors consist of at 5 people –
 - Chairman,
 - Deputy chairman,
 - Secretary,
 - Treasurer and
 - Member.
3. Board of Directors is elected by General Assembly for a tem of two years.
4. Only full members can be appointed to Board.
5. Decisions are passed with a simple majority (50%)

§ 8. Liquidation of the NPO– who takes Property

- Dissolution of the association is decided by the General Assembly with by 2/3 of the members.
- If association is closed if tax-privileged purposes stop to exist
- Association's assets must be transferred
 - To another tax-privileged Association
 - Used only for charitable or church purposes.

§ 9. Formation Clause – Who Changes By-laws

If amendments to the statutes are required

- The board of directors is authorized to take these measures.
- without a resolution by the General Meeting.

§ 10. Entry into force - Date of Effect of By-Laws

- The present version of these By-Laws was approved today March 2nd, 2020 at the Founding Members meeting

No	First Name	Surname	Date of Birth	Residence	Signature
1.					
2.					
3.					
4.					
5.					
6.					
7.					

4. Reading Assignment for the week

Search and find information at the Internet

- about your NPO By-Laws or Statutes
- Make short report and present it in class



Q&A