**NOTE: This Model Governing Document is provided as guidance for NPOs in the preparation of a Governing Document. The document can be adopted as the NPO sees fit but Controllers of NPOs must ensure that the Governing Document is appropriate to the circumstances of the organisation.**

**Model Governing Document**

**(By-laws)**

**Adopted on (*enter date*), at a meeting of the members of the organisation and recorded in the minutes of the meeting.**

1. **Name**

The name of the organisation is [*to be completed*] (***the organisation***).

1. **Date and Place of Establishment**

The organisation was established on [*to be completed*] in the country of the [*to be completed*].

1. **Purpose**

The organisation was formed as a non-profit organisation pursuant to the NPO Regulations 2014 to [*to be completed*].

1. **Objects**

The objects of the organisation are—

[*the objects should be stated fully*]

1. **Statement of Good Governance**

The controllers of the organisation must ensure the good governance of the organisation by implementing the risk management framework set out in NPO Guideline No.1/2019.

1. **Membership fees**

The membership fee for each ordinary membership and for each other class of membership (if any)—

1. is the amount decided by the members from time to time at a general meeting; and
2. is payable when, and in the way, the management committee decides.
3. **Functions of the controllers**
4. The controllers shall:

* be responsible for the proper administration of their organisation;
* safeguard and protect the assets of their organisation;
* act in the best interests of their organisation;
* avoid any conflict between their personal interests and those of the organisation;
* act reasonably and prudently in all matters relating to their organisation.

A controller is defined in the NPO Regulations 2014 as “a person who owns, controls or directs a non-profit organisation and includes –

1. A trustee of a trust, where the non-profit organisation is established as a trust;
2. A director of a company, where the non-profit organisation is established as a company;
3. A general partner of a partnership, where the non-profit organisation is established as a partnership;
4. A person responsible for the management and administration of an unorganisation, where the non-profit organisation is established as an unorganisation;
5. A person not specified in i, ii, iii, or iv where the non-profit organisation is established by that person”.

A member of the management committee is a controller for the purpose of this Constitution and the NPO Regulations 2014.

1. **Annual general meetings**

Each annual general meeting must be held—

1. at least once each year; and
2. within 6 months after the end date of the organisation's reportable financial year.
3. **Business to be conducted at annual general meeting of level 1 organisations and particular level 2 and 3 organisations**

The following business must be conducted at each annual general meeting of the organisation—

1. receiving the organisation's financial statement, and audit report, for the last reportable financial year;
2. presenting the financial statement and audit report to the meeting for adoption;
3. electing members of the management committee;
4. appointing an auditor or an accountant for the present financial year (*if applicable*);
5. **Articles of Incorporation or Memorandum and Articles of Association**

The controllers and members shall abide by the rules and procedures set out in the articles of incorporation or memorandum and articles of association and the articles shall take precedence over this constitution where parts of this constitution are in conflict or is inconsistent with the articles.

1. **Alteration of rules**
2. These rules may be amended, repealed or added to by agreement of two thirds of the members of the organisation where such a resolutions is passed at a general meeting of the members, and two thirds of the members of the management committee at a meeting where such a resolution is passed at a meeting of the management committee.
3. **Funds and accounts**
4. The funds of the organisation must be kept in an account in the name of the organisation in a financial institution decided by the management committee.
5. Records and accounts must be kept in the English language and must show and explain the organisation’s transactions, within and outside the TCI, and must be sufficiently detailed to show that the organisation’s funds have been used in a manner consistent with its purposes, objectives and activities. The organisation must also keep financial records that show the source of the gross annual income of the organisation.
6. All amounts must be deposited in the financial institution account as soon as practicable after receipt.
7. A payment by the organisation of $100 or more must be made by cheque or electronic funds transfer.
8. If a payment of $100 or more is made by cheque, the cheque must be signed by any 2 of the following—
9. the president;
10. the secretary;
11. the treasurer;
12. any 1 of 3 other members of the organisation who have been authorised by the management committee to sign cheques issued by the organisation.
13. However, 1 of the persons who signs the cheque must be the president, the secretary or the treasurer.
14. Cheques, other than cheques for wages, allowances or petty cash recoupment, must be crossed not negotiable.
15. A petty cash account must be kept on the imprest system, and the management committee must decide the amount of petty cash to be kept in the account.
16. All expenditure must be approved or ratified at a management committee meeting.
17. **General financial matters**
18. On behalf of the management committee, the treasurer must, as soon as practicable after the end date of each financial year, ensure a financial statement for its last reportable financial year is prepared.
19. The income and property of the organisation must be used solely in promoting the organisation's objects and exercising the organisation's powers.
20. The organisation must keep a record of the value of the assets of the organisation.
21. The organisation must submit annual financial statements to the NPO Supervisor, in accordance with the NPO Regulations 2014. The financial statements must include details of annual income and the source of the income, annual expenses, the value of the assets of the organisation, significant donations and the types of programs and services of the NPO.
22. The organisation must know the beneficiaries of their funding and any organisation with which they have an organisation. The organisation must carry out appropriate due diligence on individuals and organisations that the organisatiion receives funds from, gives money to or work closely with before receiving funds or giving funds.
23. **Documents**

The management committee must ensure the safe custody of books, documents, instruments of title and securities of the organisation. The records of the organisation shall be kept for a period of at least five years. The records of the organisation shall be produced to the NPO Supervisor or law enforcement authorities, when lawfully requested, within forty eight hours.

1. **Financial year**

The end date of the organisation's financial year is [*insert date*] in each year.

1. **Distribution of surplus assets to another entity**

On the closing of the organisation, any surplus assets must not be paid or transferred to members or office-bearers of the organisation but must be transferred to another non-profit organisation, whether in the Turks and Caicos Islands or elsewhere —

1. specified in the governing instrument; or
2. designated by resolution of the members at a meeting of the organisation called for the purpose of making such a designation or for purposes that include the making of such a designation.”.

Signed: ………………………………………………….

Controller

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Controller