

## MEMORANDUM

**TO:** Becky Orsini and Executive Committee of PEM & EMP

**FROM:** Kevin S. Cooman, Esq.

**DATE:** February 1, 2018

**RE:** Bylaws review and revision

---

Mary Ognibene, Esq., one of my colleagues at the law firm, has substantial experience in the review and revision of not-for-profit (“NFP”) corporation bylaws. This has been a frequent project over the last several years, necessitated by the substantial changes in New York’s Not for Profit Corporation Law. Although many of these law changes were aimed at much larger entities than our modest local organizations, the rules nevertheless apply to all NY NFP corporations. The general thrust of the changes has been to force transparency, install good governance practices and oversight of operations, and modernize the way business may be conducted.

Here is the process that Mary and our firm uses, if PEM and EMP wish to avail themselves of this:

- We furnish a copy of our existing bylaws and conflict of interest policies and forms to Mary for review, along with a list of any organizational changes that we also want incorporated into the revised bylaws (*e.g.*, the “outside directors” provisions discussed at the December meeting).
- Mary will review these materials, and produce new or revised bylaws reflecting the changes we have requested, along with all the revisions mandated by the new laws.
- Mary will attend a meeting of the Executive Committee and/or the Board to explain the changes, and gather any additional input that needs to be reflected in the final product.
- The final products will be: revised bylaws for both entities, a new or revised conflict of interest policy, and new annual disclosure forms for use by our entities.

Based on past experience, this is typically a ten hour project for each entity, or a total of 20 hours. Because our two organizations have very similar/parallel bylaws, we may be able to shave some of this time, and if so, this would be reflected in reduced time and cost. However, we also know from prior experience that NFP boards sometimes have a “lot of cooks in the kitchen”, which tends to create more time and work. We do the best we can to manage that, usually by asking that only a small group (*e.g.*, a couple of officers) be delegated to supervise and complete this project with Mary.

MEMO TO PEM-EMP  
Bylaws revision project  
Page 2

Mary's time is currently billed by the firm at \$275 an hour for corporate work, but for PEM-EMP because of its modest size and my involvement, we will bill the time at \$220 per hour. Thus, the total budget for this project with our firm would be \$2,200 for PEM and \$2,200 for EMP, or a total of \$4,400.

Because of my interest in this, I will obviously refrain from involvement in the decision making about whether PEM and EMP should engage my firm for this project.

If you have any questions, please do not hesitate to ask. If the Executive Committee or Board would like to talk with or meet Mary in advance of deciding whether and how to go forward, we would be happy to arrange that.