

## Nonprofit Law Jargon Buster – What is a Quorum?

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In the context of a nonprofit corporation, a quorum is the number of board members that



must participate in a board meeting to permit official business to be transacted at the meeting.

In Arizona, the default quorum rule for nonprofit corporations is a majority (51%) of the board of

directors; however, the board can set the quorum as low as one-third of the directors then in office.<sup>[2]</sup> For clarity, the bylaws should define the quorum required for meetings of the directors. If the bylaws are silent as to quorum, then the board must look to the Arizona statutes. The Arizona statutes provide that the requisite quorum is a majority, or fifty-one percent, of the directors.

Once the required number of directors are present, the quorum is met and the meeting may proceed. If the quorum is not met, the board cannot

conduct official business. The directors present can, however, have informal discussions and attempt to formalize decisions through a unanimous written consent circulated after the meeting or by ratifying decisions at a later meeting at which a quorum is present.

Organizations that have large boards may want to lower the quorum to make it easier to meet the quorum requirement. However, lowering it too much can permit a small active group to wield excessive influence over board decisions. Lowering the quorum too much can also send the message that regular meeting attendance is not expected. Organizations sometimes implement high quorums to encourage meeting attendance. This can also backfire as absentee directors can prevent the board from being able to hold a valid meeting. A better approach is to include a reasonably attainable quorum requirement and implement other sanctions, such as removal, for excessive missed meetings.

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[1] Black's Law Dictionary (9th ed. 2009), quorum.

[2] A.R.S. 10-3824(B); Arizona Open Meeting Law sets the minimum quorum for charter schools at a majority (51%).

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