

# Montana Association of Conservation Districts (MACD)

A Montana Nonprofit Public Benefit Association

Approved November 17, 2022.

Article 5.05 and 5.06 added and approved by the MACD Board on June 8, 2023.

Article 6.07 amended by the MACD Board on November 19, 2024

## ARTICLE I

### NAME

**1.01 Name and Location.** The name of the Association is the Montana Association of Conservation Districts, herein referred to as MACD or the Association. It currently maintains its principal office for the transaction of business at 1101 11<sup>th</sup> Avenue, Helena, Montana 59601, but may have other offices at such other places as the MACD board of directors may from time to time appoint, or the business of the MACD may require.

**1.02 Name Change.** The Association may, at its pleasure, change its name by vote of a majority of the Board of Directors and approval by the Membership. Any such name change shall be done by filing notice of the use of an assumed name by the Association or by amendment to the Bylaws of the Association and the Articles of Incorporation with the State.

## ARTICLE II

### PURPOSES AND POWERS

**2.01 Purpose.** MACD's mission is to support Montana's conservation districts in promoting and maintaining a landscape where soil, water, and other natural resources are conserved and utilized for the benefit of all Montanans in cooperation with landowners, state, federal agencies, and other partners. It is organized to promote social welfare and operate to further the common good and general welfare of the conservation districts and the people they serve.

MACD will work with conservation districts and partners to conduct educational, scientific, and charitable work concerning the conservation, maintenance, improvement, and use of land, soil, water, trees, vegetation, fish and wildlife, open-space, and other related and/or renewable natural resources. To these ends, MACD will represent Montana's conservation districts and their interests. MACD will cooperate with other entities and organizations working for the same objectives on an area, statewide, regional, or national basis.

MACD will facilitate information sharing related to the administration and operation of conservation districts and otherwise promote their welfare and that of the people therein. Furthermore, MACD will promote the interests and activities of civic, educational, and other organizations involved in soil and water conservation, and aid in the prevention and control of soil and water erosion and the efficient use and conservation of soil, water, and other natural resources.

MACD will provide such other support relating to any activity or program of the conservation districts as may be required by the laws of the state of Montana on the conservation districts.

**2.02 Powers.** MACD shall have the power, directly or indirectly, alone or in conjunction or cooperation with others, to do any and all lawful acts which may be necessary or convenient to affect the charitable purposes for which MACD is organized, and to aid or assist other organizations or persons whose activities further accomplish, foster, or attain such purposes.

**2.03 Nonprofit Status and Exempt Activities Limitation.**

(a) *Nonprofit Legal Status.* MACD is a non-profit, non-partisan benefit organization, incorporated under and shall be operated according to the Montana Nonprofit Association Act (the Act). MACD is organized to conduct any and all lawful business for which an association under section 501(c) (3) of the Internal Revenue Code - or any corresponding section of a future federal tax code.

(b) *Exempt Activities Limitation.*

- i. No substantial part of the MACD's activities shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and MACD shall not participate in, or intervene (including the publishing or distribution of statements) in any political campaign on behalf of or in opposition to any candidate for public office.
- ii. Notwithstanding any other provision of these Bylaws, no director, officer, employee, or representative of MACD shall take any action or carry on any activity by or on behalf of MACD not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended, or an organization contributions to which are deductible under Section 170(c)(2) of the Code and Regulations as they now exist or as they may hereafter be amended.
- iii. No part of the net earnings, properties, or assets of MACD, on dissolution or otherwise, shall inure to the benefit of, or be distributable to, its members, Directors, officers or other private person or individual, except that MACD shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes as set forth in Article 2.01.

*(c) Distribution Upon Dissolution.*

- i. Upon dissolution of MACD, the MACD Board shall, after paying or providing for payment of all of the liabilities of MACD, distribute all of the remaining assets of MACD exclusively for the purposes of MACD and the purposes set forth in Section 501(c)(3) of the Internal Revenue Code.
- ii. If a portion of the plan of dissolution includes the sale of the Bridger Plant Material Center, then 43% of the proceeds from such sale shall be transferred to the Wyoming Association of Conservation Districts to be used solely for the purpose of 501(c)(3) and if distributed, then only to organizations described in 170(c)(2).
- iii. All remaining proceeds from the plan of dissolution shall be distributed pro rata to the Montana conservation districts as governmental subdivisions as described in Code Section 170(c)(2).
- iv. Any assets not so distributed shall be disposed of by the District Court of the county in which the principal office of the MACD is then located, exclusively for MACD's purposes or to an organization or organizations operated for the purposes as the Court shall determine.

**ARTICLE III**  
**MEMBERSHIP**

**3.01 Membership Classes and Powers.** Except as otherwise provided by law, by the Articles of Incorporation, or by these Bylaws, the number of classes, qualifications, rights, privileges, dues, fees, responsibilities, and the provisions governing the withdrawal, suspension, and expulsion of Members shall be determined by the Board of Directors.

Except as may otherwise be required by law, the Articles of Incorporation, or these Bylaws, any right of Members to vote and any right, title, or interest in or to the Association, its properties, and franchises, shall cease and divest upon termination of Membership.

**3.02 District Membership.**

- (a) District Membership.* Each conservation district organized under the provisions of the state of Montana conservation district laws is a member of MACD. A member must be in good standing with MACD to gain all privileges.
- (b) Good Standing Definition.* A conservation district in good standing is defined as a conservation district that has paid in full annually assessed dues by September 1<sup>st</sup> of each year or has been excused by the MACD board of directors from full payment or non-payment of dues.
- (c) Membership privileges.* A conservation district in good standing may:
  - i. Introduce and vote on resolutions.
  - ii. Have a supervisor from their Conservation District nominated for the MACD Board of Directors.
  - iii. Have a current supervisor serve on the MACD Board.
  - iv. Vote when resolutions are considered at area meetings and at the annual convention.
  - v. Vote for bylaw changes at area meetings and at the annual convention.
  - vi. Vote at MACD business meetings.

vii. Serve on standing committees.

**3.03 Non-Voting Members.** An individual, a government entity, or a business organization may become an affiliate non-voting member of MACD.

Dues for affiliate memberships are established by the MACD board of directors for individuals and for business organizations and government entities. Any amount paid above the established rate will be treated as a donation.

**3.04 Dues.** MACD dues are established and assessed annually by the MACD board of directors and are due to MACD by 1<sup>st</sup> September of each year.

The MACD board of directors upon written application by a conservation district may excuse, delay, or allow partial payment of dues. Only districts that have paid dues in full or are excused are entitled to full membership privileges set forth in Article 3.02 (c).

#### **ARTICLE IV** **MEETINGS OF THE MEMBERSHIP**

**4.01 Time and Place of the Annual Convention of the Members.** The annual association meeting, herein referred to as the Annual Convention, shall be held once a year at a time and place established by the MACD Board of Directors. .

All conservation districts are encouraged to attend the annual convention and all special meetings and will be notified of all MACD board meetings.

**4.02 Notice of Annual Convention.** A member must be given initial notice at least one month in advance of the time and place of the annual convention by the secretary.

**4.03 Business to be conducted at the Annual Convention.** The Annual Convention shall have time designated for conducting the business of MACD. Details of the process and procedures for bringing forward association business are outlined in the Process Document. The Process Document will be distributed to the membership any time the MACD board approves changes to the Process Document.

**4.04 Voting.** In matters pertaining to MACD and when authorized in these bylaws, each district in good standing is entitled to one vote at Membership Meetings. Each district in good standing (Article 3.02 (b)) shall select one supervisor as their voting representative.

**4.05 Quorum.** A quorum is a majority of the conservation districts in good standing and is needed for the transaction of business at any annual convention or special meeting. The concurrence of a majority of the conservation districts present in good standing will be necessary for the determination of all questions at issue except amendments to these Bylaws for which a vote of two-thirds of all the districts in good standing will be required.

**4.06 Action by Written Ballot.** Any action requiring member approval that may be taken at a meeting of the Members may be taken without a meeting if MACD delivers a written or electronic ballot to every member entitled to vote on the matter and conducts the vote in accordance with Montana law.

A written ballot does not pass if less than a majority of districts in good standing participate in the voting. If a majority of districts in good standing participate in the voting, a written ballot passes if a simple majority votes in the affirmative, except for bylaws amendments which require two-thirds majority of all districts in good standing as set forth in Article 11.04.

**4.07 Special Meetings of the Members.** Special meetings of MACD members may be called by the executive committee or a majority of the MACD directors.

Written or electronic notice of a special meeting shall state the time, place, and purpose of the meeting, and be sent to

each member of MACD at least ten days prior to the special meeting. No business may be transacted at any special meeting except as stated in the notice thereof, unless a majority of the member conservation districts are present, and a motion is made to consider business other than that stated in the notice and approved by two-thirds of the districts present either in person or via telephone or electronically.

**4.08 Fall Area Meetings.** Each MACD area shall hold a fall area meeting prior to the MACD Annual Convention, the time and place of area meetings will be determined in conjunction with the districts and announced by the president of MACD at least two months in advance.

- (a) At its respective annual area meeting, each of the six areas of the state shall individually elect its MACD board representative as set forth in Article 5.04 and vote on resolutions as set forth in Article 4.09.
- (b) The host district chairperson shall preside over and set the agenda for the area meeting. Additional agenda items may be requested from the floor by any person eligible to vote at the meeting.
- (c) For purposes of voting for the election of a MACD Director, a resolution, or a bylaw amendment, a quorum at an Area Meeting consists of a majority of districts in good standing present at that meeting.

**4.09 Resolutions.** Resolutions will be reviewed and voted on during the Area Meetings and Annual Convention according to the Resolution Policy document.

- (a) All resolutions emanating from districts in good standing within an area will be considered at an Area Meeting.
- (b) Resolutions considered at an Area Meeting but receiving a DO NOT PASS vote may not move forward to the MACD Annual Convention.
- (c) Details of the resolution process are provided in the Resolution Policy document, approved by the MACD Board.

**4.10. Special Area Meetings.** Areas may hold special meetings as needed.

## **ARTICLE V**

### **BOARD OF DIRECTORS**

**5.01 Powers and Duties.** Except as otherwise provided by law, all corporate powers are exercised by or under the authority of the Board and the affairs of the Association are managed under the direction of the Board.

MACD's powers, business and property shall be exercised, conducted, and controlled by the MACD board of directors. Without prejudice to the general powers and other powers conferred by the Articles of Incorporation and these Bylaws, the MACD board of directors shall have the following powers.

- (a) *Create Policies and Procedures.* From time to time to make and change rules and regulations consistent with the Articles of Incorporation and these bylaws for management of MACD's business affair as set forth in Article 11.04.
- (b) *Lease, purchase, and acquire.* To lease, purchase or otherwise acquire in any lawful manner, including but not limited to the borrowing of money, for and in the name of MACD, any property, rights, or privileges, whatsoever deemed necessary or convenient for the prosecution of its business, and which MACD is authorized to acquire, at such price or consideration and generally on such terms and conditions as they think fit, and at their discretion to pay therefore either wholly or partly in money, stock, bonds, debentures, or other securities of MACD.
- (c) *Sell or dispose of capital property.* Upon obtaining concurrence from the districts, sell or dispose of any capital property, rights, or privileges belonging to MACD whenever in their opinion its interest would be thereby promoted.
- (d) *Budget.* Create and approve an annual MACD budget.
- (e) *Strategic Plan.* Review and maintain a strategic plan of operations.
- (f) *Personnel policy.* Enact and enforce a personnel policy.
- (g) *Policies and procedures.* Establish and maintain a manual that details policies, procedures, and processes for conducting the business of MACD.

**5.02 Number and Terms.** The MACD shall have a Board of Directors consisting of up to eighteen directors, made up of up to three directors from each of the six Areas as set forth in Article 5.03.

A conservation district in good standing may have only one director on the MACD board of directors. A district must maintain its good standing for a director to remain on the MACD board.

Each Area will elect three directors for staggered three-year terms as provided in Article 5.05.

### **5.03 Composition of Areas.**

The conservation district Areas are:

- (a) Area 1 - Daniels, Garfield, McCone, Petroleum, Roosevelt, Sheridan, and Valley conservation districts;
- (b) Area 2 – Carter, Dawson, Little Beaver, Custer, Powder River, Prairie, Richland, and Wibaux conservation districts;
- (c) Area 3 - Big Sandy, Blaine, Cascade, Chouteau, Fergus, Glacier, Hill, Judith Basin, Liberty, Phillips, Pondera, Teton, and Toole conservation districts;
- (d) Area 4 - Big Horn, Carbon, Lower Musselshell, Rosebud, Stillwater, Sweet Grass, Treasure, Upper Musselshell, and Yellowstone conservation districts;
- (e) Area 5 - Bitterroot, Deer Lodge Valley, Eastern Sanders, Flathead, Granite, Green Mountain, Lake, Lincoln, Mineral, Missoula, and North Powell conservation districts; and
- (f) Area 6 - Beaverhead, Broadwater, Gallatin, Jefferson Valley, Lewis and Clark, Madison, Meagher, Mile High, Park, and Ruby Valley conservation districts.

**5.04 Election of Directors by Areas.** The election of directors takes place at MACD Area Meetings. Candidates for area nominations must be a supervisor from a district in good standing and remain so throughout the term of office. The candidate(s) elected will take office at the November MACD Board Meeting. The term of office is three (3) years. Every district, whether in good standing or not, will have one vote for the election of the Area Directors.

**5.05 Associate Board Members.** In order to strengthen relationships and communications with key partners, the board has the authority to elect or remove individuals to serve on the MACD board in an advisory capacity. This position will have no voting rights, board powers, or authority. Associate board members will serve one-year terms with no limit to the number of terms an individual may serve.

**5.06 Advisory Council.** The board may create or dissolve advisory councils to support the work of the board and operations. All Advisory Councils shall have charters that outline the scope and focus of their work. Advisory councils have no voting rights, board powers, or authority.

**5.07 Resignation.** Any director may resign at any time by delivering written notice to the Board of Directors, the president, or the secretary of the MACD. A resignation shall be effective when the notice is delivered unless the notice specifies a later effective date.

**5.08 Removal of a Director from Office.** An area director may be removed, with or without cause, by an affirmative vote of at least two-thirds (2/3) of the members in good standing within the Area they were elected from. The MACD board retains the authority to dismiss a board member with cause.

A director from a district no longer in good standing is ineligible to represent their area on the MACD board.

**5.09 Vacancies.** Incumbent Area Directors are responsible for leading the effort to fill a vacancy in their Area.

Areas may use electronic voting to fill a vacancy, provided that the area follows the provisions for a written ballot as set forth in Article 4.06.

**5.10 Compensation.** The MACD board shall serve without compensation from MACD but may be entitled to reimbursement for such expenses that may be incurred in connection with their official duties as the board determines to be reasonable.

**5.11 Compensation for Contracted Professional Services by Directors.** Directors are not restricted from being remunerated for contracted professional services provided to the Association. Such remuneration shall be reasonable

and fair to the Association and must be reviewed and approved in accordance with the Board Conflict of Interest policy and state law and detailed in a signed contract.

## ARTICLE VI

### **BOARD OF DIRECTORS' MEETINGS**

**6.01 Annual Corporate Meeting.** The MACD Board Meeting held during the Convention is considered the Annual Corporate Meeting. During this meeting, Officers will be elected, committee and members approved, and other business transacted as designated by the Executive Committee.

**6.02 Regular Meetings.** The Board of Directors shall have a minimum of four (4) regular meetings each calendar year at times and places fixed by the Board. Regular meetings of the Board may be held without further notice; however, the Board President or Executive Director shall use best efforts to send an electronic or written reminder of regular meetings a minimum of five days before the meeting.

Under normal circumstances the MACD board strives to meet in-person at the Spring Board Meeting and at the Annual Convention.

**6.03 Notice of Board Meetings.** Notice of a regular or special meeting must be given to each Director either personally or by U.S. mail or e-mail at his or her address as shown by the records of the Association. If e-mailed, a notice shall be deemed delivered when an electronic notice of delivery is returned to the sender of the notice. If mailed, a notice shall be deemed delivered at the earliest of (i) five days after deposited in the mail, addressed to the Director, with postage prepaid, (ii) the date shown on the return receipt if sent by registered or certified mail and the receipt is signed by or on behalf of the Director, or (iii) the date received.

**6.04 Special Meetings and Notice Requirements.** Special meetings of the Board may be called by the President, by any two members of the Executive Committee, or by 10 percent of the Directors. A special meeting must be preceded by at least 2 days' notice to each Director of the date, time, and place, and the purpose, of the meeting.

**6.05 Special Notice Provisions.** If a purpose of the meeting is to consider (i) an amendment to the Articles of Incorporation, (ii) a plan of merger, (iii) the sale, lease, exchange, or disposition of all or substantially all of the Association's property, or (iv) the dissolution of the Association, then a notice must be given to each Director at least seven (7) days before the meeting stating the purpose, and the notice must be accompanied by a copy of or summary of the proposed amendment, plan of merger, transaction for the disposition of property, or proposed dissolution.

**6.06 Waiver of Notice.** Any Director may waive notice of any meeting, in accordance with Montana law.

**6.07 Quorum and Adjournment.** A majority of the directors in office immediately before a meeting begins shall constitute a quorum for the transaction of business at a meeting. The appropriate percentage of the directors present at a meeting at which a quorum is present may take any actions which the directors are authorized to take on behalf of the MACD. The Board may continue to transact business at a meeting at which a quorum was initially present despite the loss of quorum, if any action taken or decision made is approved by at least a majority of the required quorum previously established for that meeting.

A majority of the directors present may vote to adjourn any meeting to another time and place even if the number of directors present or voting does not constitute a quorum. If the meeting is adjourned for more than forty-eight hours, the secretary shall give notice of the time and place of the adjourned meeting to the directors who were not present at the time the meeting was adjourned.

**6.08 Voting.** The vote of a majority of those directors present at a meeting at which a quorum is present shall be sufficient to constitute action of the board of directors, except for actions for which a greater vote may be required by statute, the Articles of Incorporation, or these bylaws. At all meetings of the MACD board of directors, each director shall have one vote.

**6.10 No Proxy Voting.** Proxies and proxy voting shall not be allowed by any director.

**6.11 Participation.** Directors may participate in a regular or special meeting through the use of any means of communication by which all Directors participating may simultaneously hear, communicate, and participate with each other during the meeting, including in person, virtual or by telephonic conference call.

**6.12 Presumption of Assent.** A director of MACD who is present at a meeting of the Board of Directors at which action on any association matter is taken shall be presumed to have assented to the action taken, unless:

- (a) The director objects, at the beginning of the meeting or promptly upon the director's arrival, to holding the meeting or to transacting business at the meeting.
- (b) The director's dissent or abstention from the action taken is entered in the minutes of the meeting: or
- (c) The director delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment or to the MACD within a reasonable time after adjournment of the meeting.
- (d) The right of dissent or abstention is not available to a director who votes in favor of the action taken.

**6.13 Action Without Meeting.** Any action permitted or required to be taken at a meeting of the board of directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the directors entitled to vote with respect to the matter. Such action can be taken by e-mail and, in such case, a director's email reply indicating consent shall be deemed to be that director's consent in writing. The secretary shall attest to the written consent of all directors entitled to vote on an action taken without a meeting. Such consent shall have the same effect as a unanimous vote and shall be placed in the minute book by the secretary.

## **ARTICLE VII OFFICERS**

**7.01 Board Officers.** Officers of MACD consist of a president, vice president (both elected), treasurer, and secretary (both elected) by the MACD board of directors during the annual convention, all of whom shall be chosen by, and serve at the pleasure of, the Board of Directors.

Each Board Officer shall have the authority and shall perform the duties set forth in these Bylaws, as approved by the Board or by direction of an Officer authorized by the Board to prescribe the duties and authority of other Officers. The Board may also appoint additional Vice Presidents and such other Officers as it deems expedient for the proper conduct of the business of the Association, each of whom shall have such authority and shall perform such duties as the Board of Directors may determine. One person may hold two or more Board offices, with the exception of the president, but no Board Officer may act in more than one capacity where action of two or more Officers is required.

Both the president and the vice president must be directors when elected and remain directors during their terms, but the treasurer/secretary need not be a board member of MACD.

**7.02 Term of Office.** Newly elected/appointed officers' terms begin immediately after being elected. Officer terms are two years.

Neither the president nor vice president may hold office for more than two terms in succession, unless authorized through an action of the board. Notwithstanding a board approved term extension and a period of two years from the end of their term of office must elapse before they may again become eligible for election to the same office.

**7.03 Removal and Resignation.** The Board of Directors may remove an Officer at any time, with or without cause with an affirmative vote of two thirds of the entire MACD board of directors.

Any Officer may resign at any time by giving written notice to the Association without prejudice to the rights, if any, of the Association under any contract to which the Officer is a party. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice, unless otherwise specified in the notice. The acceptance of the resignation shall not be necessary to make it effective.

**7.04 Vacancy.** Officers may be elected for the remainder of a term by the MACD board of directors at any regular or special meeting whenever a vacancy occurs. The filling of an unexpired officer term because of a vacancy in any office

shall not be considered a term of office for the purpose of calculating term limits and determining such person's eligibility for election or reelection to an office.

**7.05 Board President.** The Board Present shall lead the Board of Directors in performing its duties and responsibilities, including, if present, presiding at all meetings of the Board of Directors, and shall perform all other duties incident to the office or properly required by the Board of Directors.

**7.06 Vice President.** In the absence or disability of the Board President the Vice President shall perform the duties of the Board President. When so acting, the Vice President shall have all the powers of and be subject to all the restrictions upon the Board President. The Vice President shall have such other powers and perform such other duties prescribed for them by the Board of Directors or the Board President. The Vice President shall normally accede to the office of Board President upon the completion of the Board President's term of office.

**7.07 Secretary.** The Secretary shall keep or cause to be kept a book of minutes of all meetings and actions of Directors and committees of Directors. The minutes of each meeting shall state the time and place that it was held, and such other information as shall be necessary to determine the actions taken and whether the meeting was held in accordance with the law and these Bylaws. The Secretary shall cause notice to be given of all meetings of Members, Directors and committees as required by the Bylaws. The Secretary shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Board President. The Secretary may appoint, with approval of the Board, a member of the staff to assist in performance of all or part of the duties of the Secretary. Unless otherwise provided for, the treasurer serves as the secretary.

**7.08 Treasurer.** The Treasurer shall be the lead director for oversight of the financial condition and affairs of the Association and shall have primary responsibility for implementing the responsibilities as outlined on the Finance Committee's Charter. The Treasurer shall perform all duties properly required by the Board of Directors or the Board President. The Treasurer may appoint, with approval of the, a qualified fiscal agent or member of the staff to assist in performance of all or part of the duties of the Treasurer.

**7.09 National Association of Conservation Districts Representative.** The MACD Board of Directors will elect (as needed) at the Annual Convention a National Association of Conservation Districts (NACD) representative for a two-year term. The NACD representative may be re-elected by the directors, provided the person is a conservation district supervisor from a district in good standing.

**7.10 Records.** It is the duty of the MACD board of directors to keep a complete record of all their minutes and acts.

## **ARTICLE VIII**

### **BOARD COMMITTEES**

#### **8.01 Committees.**

- (a) Standing and Special/Ad Hoc Committees.* The committees of the Board shall be standing and special/ad hoc, and each Board committee shall have membership, duties, and powers established in these Bylaws or a board-approved committee charter.
- (b) Functions.* Standing committees perform continuing functions on behalf of the Board. Special/Ad Hoc committees perform specific, limited tasks of the Board. In addition to the standing committees established in these Bylaws, the Board may establish standing and special/ad hoc committees by Board action or resolution.
- (c) Creation of Committees and Appointment of Members.* All Board committees shall be created by the Board of Directors, and the Board shall elect all committee members and fill any vacancies. However, the Executive Committee may create interim special/ad hoc committees of the Board and establish their membership between meetings of the Board, subject to Board ratification at the next regular or special meeting of the Board.

**8.02 Committee Membership.** Each standing committee must be composed of two or more voting Directors and may include non-director members, with or without the power to vote, as outlined in the committee charter. Committee

members serve for two-year terms and may be re-elected.

**8.03 Committee Manner of Acting.** The provisions of these Bylaws which govern meetings, manner of acting, action without meetings, notice, waiver of notice, and quorum and voting requirements of the Board shall apply to committees of the Board and their members.

**8.04 Standing Committees.** MACD has five standing committees. Details of each committee are outlined in their board-approved charters and include their purpose, limitations, chair, membership, meeting and procedure, authority, and responsibilities.

- (a) *Executive Committee.* The Board shall have an Executive Committee with powers established by the Board, consistent with these Bylaws. The President shall serve as Chair of the Executive Committee.
  - i.
  - ii. The purpose of this committee is to facilitate the operations of MACD between board meetings, review and examine potential conflict of interests, provide oversight to the executive director, and assist with personnel matters and policy creation.
  - iii. Membership on the Executive Committee shall consist of a minimum of six directors, with the intent of having area diversity and equality.
  - iv. Membership includes current MACD officers, the immediate past Board President, if he/she is still on the MACD Board, and other directors as approved by the Board. The Board has the authority to modify the composition of the Executive Committee through an action of the Board.
- (b) *Finance Committee.* The Board shall have a Finance Committee with powers established by the Board, consistent with these Bylaws. The Treasurer shall be the Committee Chair.
  - i. The purpose of this committee is to provide oversight for all MACD financial matters and ensure that the board's financial fiduciary responsibilities are being met and the Association is operated with strong financial systems for accountability, transparency, and adherence to state and federal requirements.
  - ii. Membership on the Finance Committee shall consist of a minimum of four board directors, with the intent of having area diversity.
- (c) *Governance and Board Development Committee.* The Board shall have a Governance and Board Development Committee with powers established by the Board, consistent with these Bylaws. The vice president shall typically be the chair of this committee; if unable to serve, the Board shall appoint a Committee Chair.
  - i. The purpose of this committee is to ensure policy creation and access and to help with board member recruitment, management, and training.
  - ii. Membership on the Governance and Board Development Committee shall consist of a minimum of five board directors, with the intent of having area diversity.
- (d) *Legislative and Advocacy Committee.* The Board shall have a Legislative Committee with powers established by the Board and consistent with these Bylaws. The chair of this committee is typically the Executive Director or a hired lobbyist; the Board may appoint a Committee Chair other than the above at its discretion.
  - i. The purpose of this committee is to assist throughout the legislative session in prioritizing, both planning and real-time, advocacy activities for MACD. Outside of legislative sessions this committee monitors and advises on emerging policy issues at the local, state, and national level.
  - ii. Membership on the Legislative Committee shall consist of a minimum of five members who are supervisors elected by the MACD Board. Committee advisors may include the board, staff, district employees, and partners.
- (e) *Resolutions and Policy Committee.* The Board shall have a Resolution and Policy Committee with powers established by the Board and consistent with these Bylaws. The Board shall elect the chair of this committee.
  - i. The purpose of this committee is to facilitate, oversee, and monitor the resolution process.
  - ii. Membership on the Resolutions and Policy Committee shall consist of supervisors (not necessary to be a MACD board member) appointed by the MACD Board. Outside experts, partners, and other committees can be invited to advise sub-committees as needed; no board approval is needed for advisors.

**8.03 Work Groups.** The Board, committees, and staff have the authority to create work groups to assist with the implementation of the board-approved strategic plan, operational plan, programs, and projects. These work groups typically do not need the approval of the board.

## **ARTICLE IX**

### **EXECUTIVE DIRECTOR**

**9.01 Appointment.** The Board of Directors may hire an Executive Director as the chief executive officer of the Association. The Executive Director will hold office at the will of the Board and shall report directly to the Board. The Executive Director shall be given the necessary authority and responsibility for the management of MACD, subject only to policies enacted by the MACD board of directors.

**9.02 Duties.** The Executive Director shall be responsible for administrative management of the Association, with general and active supervision over the property, business, and affairs of the Association. The executive director shall attend all MACD board meetings and MACD board committee meetings in a nonvoting capacity. The executive director shall act as the duly authorized representative of the MACD board in all matters except those in which the MACD board has formally designated another individual or group to act. The executive director shall be responsible for hiring, terminating and compensation recommendations for employees of MACD based upon the general guidelines prescribed by the MACD board of directors and shall carry out the policies and programs of the Association and perform duties as directed by the Board, subject to oversight by the Board and the Executive Committee.

## **ARTICLE X**

### **CONTRACTS, CHECKS, LOANS, INDEMNIFICATION AND RELATED MATTERS**

**10.01 Contracts and other Writings.** Except as otherwise provided by resolution of the Board or Board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the Association shall be executed on its behalf by the Executive Director, the President, or other persons to whom the Association has delegated authority to execute such documents in accordance with policies approved by the Board.

**10.02 Checks and Drafts.** All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the Association, shall be signed by such Officer or Officers, agent, or agents, of the Association and in such manner as shall from time to time be determined by resolution of the Board.

**10.03 Deposits.** All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board or a designated Committee of the Board may select.

**10.04 Loans.** No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board. Such authority may be general or confined to specific instances.

**10.05 Indemnification.**

- (a) *Mandatory Indemnification.* The Association shall indemnify a Director or former Director, who was successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was a Director of the Association against reasonable expenses incurred by him or her in connection with the proceedings.
- (b) *Permissible Indemnification.* The Association shall indemnify a Director or former Director made a party to a proceeding because he or she is or was a Director of the Association, against liability incurred in the proceeding, if the determination to indemnify him or her has been made in the manner prescribed by the law and payment has been authorized in the manner prescribed by law.
- (c) *Advances for Expenses.* Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of (i) a written affirmation from the Director, officer, employee or agent of his or her good faith belief that he or she is entitled to indemnification as authorized in this Article, and (ii) an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association in these

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- (d) *Indemnification of Officers, Agents, and Employees.* An officer of the Association who is not a director is entitled to mandatory indemnification under this Article to the same extent as a director. The Association may also indemnify and advance expenses to an officer, employee or agent of MACD who is not a Director, to the same extent as a director or to any extent, consistent with Montana Law and public policy, *provided* that such indemnification, and the scope of such indemnification, is set forth by the general or specific action of the Board or by contract.
- (e) *Insurance.* MACD may purchase and maintain insurance (i) to insure itself with respect to the indemnification payments it is authorized or obligated to make pursuant to this Article, and (ii) on behalf of any person who is or was a director, officer, employee or agent of MACD, or is or was serving at the request of MACD as a director, trustee, officer employee or agent of another Association, partnership, joint venture, trust, employee benefit plan or other enterprise to insure against any liability asserted against person and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not MACD would have the power to indemnify the person against such liability under the provisions of this Article.

## ARTICLE XI

### MISCELLANEOUS

**11.01 Fiscal Year.** The fiscal year shall begin the first day of January in each year.

**11.02 Books and Records.** The Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all MACD Membership meetings and Board of Directors, a record of all actions taken by the Members or Board of Director with or without a meeting, and a record of all actions taken by committees of the board.

**11.03 Conflict of Interest.** The Board shall adopt and periodically review a conflict-of-interest policy to protect the Association's interest when it is contemplating any transaction or arrangement which may benefit any Director, Officer, employee, Member, or member of a Committee with Board-delegated powers.

**11.04 Amendments.**

- (a) *Board and Membership Authority.* The board has the authority to amend MACD bylaws, with an affirmative vote of two thirds of the entire MACD board of directors, with the exception items related to:
- i. The number of directors;
  - ii. the composition of the board;
  - iii. the term of office of directors;
  - iv. the method or way in which directors are elected or selected;
  - v. the creation or termination of members or classes of voting members;
  - vi. increase or decrease the vote required for any member action; and,
  - vii. approve dissolution, merger, sale, pledge, or transfer of MACD's assets.

These items must be voted upon by MACD members in good standing and require an affirmative vote of two-thirds of all members in good standing to pass.

- (b) *Recommendations by members.* Members may make recommendations for amendments to these bylaws through MACD'S Governance and Nominations Committee. The Governance and Nominations Committee will review all bylaw revision suggestions in relation to the existing bylaws and the impact on MACD operations.

Their recommendations will be forwarded either to:

- i. The board of directors for consideration of items which they have authority to approve as set forth in Article 11.04 (a);
- ii. to the Resolutions Committee to follow the resolution process for items that need membership approval as set forth in Article 11.04 (a).

### CERTIFICATE OF ADOPTION OF RESTATED BYLAWS

I do hereby certify that the above amended and restated Bylaws of the Montana Association of Conservation Districts

were approved by the Board of Directors on September 12<sup>th</sup>, 2022, and by members in good standing on November 17, 2022, and do now constitute a complete copy of the Bylaws of the Association, superseding all previously adopted Bylaws and amendments.