

Montana Conservation District Employee Organization
A Montana Nonprofit Public Benefit Corporation
BYLAWS

ARTICLE I
NAME

1.01 Name. The name of this Corporation shall be known as: "Montana Conservation District Employee Organization" (MCDEO).

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

ARTICLE II
PURPOSES AND POWERS

2.01 Purpose.

- To assist in developing and furthering the interest, objectives, and purposes of Montana Conservation Districts by providing training and support to their employees;
- to foster and promote charitable and educational purposes designed to further the principles of soil and water conservation and stewardship, water conservation and stewardship;
- to provide a professional network for conservation district employees to better prepare them to promote natural resource conservation in Montana and their local conservation districts to the general public;
- to assist in the implementation of district programs providing natural resource conservation to private landowners benefiting the public good;

2.02 Powers. The Corporation 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 the Corporation 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.** The Corporation is a Montana nonprofit public benefit organization, recognized as tax exempt under Section 501(c)(3) of the United States Internal Revenue Code.
- (b) **Exempt Activities Limitation.** Notwithstanding any other provision of these Bylaws, no Director, Officer, employee, Member, or representative of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code as it now exists or may be amended, or by an organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as it now exists or may be amended. No part of the net earnings of the Corporation shall inure to the benefit or be distributable to any Director, Officer, Member, or other private person, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.

- (c) **Distribution Upon Dissolution.** Upon the dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code or corresponding section of any federal tax code or shall be distributed to the federal government or to a state or local government, for a public purpose. Any assets not disposed of shall be disposed of by the District Court of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

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 Corporation, its properties and franchises, shall cease and divest upon termination of Membership, except that liability of a Member for sums due the Corporation shall survive such termination unless otherwise expressly provided by the Board of Directors.

3.02 Eligibility for Membership. Any conservation district employee in Montana is eligible for Membership in the MCDEO by paying dues.

3.03 Non-Voting Affiliates. MCDEO also offers Affiliate Membership opportunities for past district employees, individuals, and business organizations. Affiliate individuals, businesses, corporations, and governmental agencies are non-voting Members.

3.04 Dues. Annual Membership dues for voting Members and for Affiliates shall be determined by the Board of Directors.

3.05 Voting Rights. Except as otherwise provided in these Bylaws, each Member shall be entitled to one vote on each matter upon which Members have voting rights.

ARTICLE IV **MEETING OF MEMBERS**

4.01 Time and Place of Membership Meetings. Meetings of the Members will be held during the Montana Association of Conservation Districts (MACD) Convention every fall with an interim meeting in the spring of every year, either in conjunction with the MACD Spring Board meeting or at another time as determined by the Board. Any Member in good standing may attend the Membership meetings for the limited purpose of voting, without being required to pay registration fees to attend the meeting.

4.02 Business to be conducted at the Membership Meetings.

The following business or reports may be conducted or presented at the Fall Membership Meeting:

- (a) **Financial Report.** Year to date financial statements.

- (b) **Dues Report**
- (c) **Any Other Matter Requiring Member Approval.** Action by the voting Members on any other matter requiring Member approval or on which the Board requests Member advice or approval may occur, subject to proper notice under Montana law.

4.03 Nomination and Election of Directors. Directors of the Board shall be elected by a vote within their area at an area employee meeting prior to the end of the calendar year. Up to two Directors shall be elected for each area and will serve staggered terms of 3 years each. Board terms start in January and end when their successor has been seated.

4.04 Special Meetings of the Members. Special meetings of the Members may be called by the Board of Directors or upon written request/petition of at least one tenth of the voting Members who shall state in writing to the Board of Directors the purpose of such meeting.

4.05 Quorum. One tenth (10%) of the number of voting Members in good standing by November 1st present in person shall constitute a quorum for the transaction of any business. If at any meeting of the Members there is less than a quorum present, a majority of those present may adjourn the meeting, without further notice, until a quorum is obtained. The act of the majority of the voting Members present at a meeting at which a quorum is present shall be the act of Membership, unless otherwise specified in these Bylaws or required by law. Each Member shall have one vote.

4.06 Proxies. No proxies will be allowed. Voting may be done through electronic means.

4.07 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 the Corporation delivers a written or electronic ballot to every Member entitled to vote on the matter and conducts the vote in accordance with Montana law and in accord with Section 4.05.

ARTICLE V

BOARD OF DIRECTORS

5.01 Number and Composition of the Board. The Corporation shall have a Board of Directors consisting of 12 Directors, up to two from each area. Within these limits, the Board may increase or decrease the number of Directors serving on the Board, including for the purpose of staggering the terms of Directors, to have approximately one-third of the Board elected every year.

5.02 Qualifications of Directors. Any employee of a Conservation District who is a Member of the MCDEO, and has been employed by a district for 3 years—unless otherwise determined by the Board is eligible to serve on the Board. Individuals must remain an MCDEO member for the duration of their term of office. Failure to do so, for any reason, shall result in automatic removal from the MCDEO board and the need for the Area to fill such vacancy.

5.03 Ex-officio Advisors. MCDEO may appoint ex-officio non-voting advisors to the organization from MACD, NRCS, DNRC/CDB and other organizations as deemed appropriate by the MCDEO board.

5.04 Powers. Except as otherwise provided by law, all corporate powers are exercised by or under the

authority of the Board and the affairs of the Corporation are managed under the direction of the Board. The board of the MCDEO will create and approve an annual budget for the organization.

5.05 Terms. All Directors will be elected to serve three-year terms. Directors may serve three consecutive three-year terms plus any partial terms they are appointed to complete or until a successor is elected by the area member, unless otherwise determined by the board. The term of a Director elected by the Membership may not be shortened by the Board.

Board terms begin in January and extend until a successor has been seated.

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

5.05 Vacancies. An Area may fill vacancies due to resignation, death, or removal of a Director or may appoint new Directors to fill a previously unfilled Board position, subject to the maximum number of Directors under these Bylaws at any time. Individuals elected to a Board position in-between annual elections shall complete the term they are filling and may stand for re-election at the end of this term. All area EO Members in good standing are eligible to be an area Director, and to vote for area Directors within their area.

5.06 Removal of Directors. A Director may be removed by a majority vote of the Membership of their Area with or without cause.

5.07 Board of Directors Meetings.

- (a) **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 shall use best efforts to send an electronic or written reminder of regular meetings a minimum of seven days before the meeting.
- (b) **Special Meetings.** Special meetings of the Board may be called by the Board President, by any two Members of the Executive Committee, or by 3 of the Directors currently seated. A special meeting must be preceded by at least two days' notice to each Director of the date, time, and place, but not the purpose, of the meeting.
- (c) **Notice of Board Meetings.** Notice of a regular or special meeting must be given to each Director either personally, by U.S. mail, or e-mail at his or her address as shown by the records of the Corporation. If emailed, a notice shall be deemed delivered when sent to the current email address as provided by the board member. 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.
- (d) **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 Corporation's property, or (iv) the dissolution of the Corporation, then a notice must be given to each Director at least 10 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.

- (e) **Waiver of Notice.** Any Director may waive notice of any meeting, in accordance with Montana law.

5.08 Manner of Acting.

- (a) **Quorum.** A majority of the Directors in office immediately before a meeting shall constitute a quorum for the transaction of business at that meeting of the Board.
- (b) **Vote.** The act of the majority of the voting Directors present at a meeting at which a quorum is present shall be the act of the Board, unless otherwise specified in these Bylaws or required by law. Each Director shall have one vote.
- (c) **No Proxy Voting.** Directors may not vote or sign Board resolutions or consents by proxy.
- (d) **Participation.** Members of the Board of Directors or members of a committee of Directors, may participate in their respective meetings by means of a telephone or virtual platform, or with any technology by which all persons participating in the meeting can communicate with all others. Participation in a meeting by such means shall constitute presence in person at such meeting.

5.09. Presumption of Assent. A Director of the MCDEO who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless:

- i. 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;
- ii. The Director's dissent or abstention from the action taken is entered in the minutes of the meeting: or
- iii. 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 MCDEO within a reasonable time after adjournment of the meeting.

The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

5.10 Action Without Meeting. Any action required or permitted to be taken at a meeting of the Board 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 subject matter thereof. Such action may be taken by e-mail if an electronic copy of the resolution is signed and returned by all Directors. Such consent shall have the same effect as a unanimous vote and shall be attached to the minutes of the next meeting.

5.11 Annual Corporate Board Meeting and Election of Board Officers. The Board shall elect Officers at the first Board meeting following the Annual Membership meeting in the fall.

5.12 Compensation. By resolution of the Board of Directors the Directors may receive reimbursement for their expenses, if any, associated with attending board meetings or representing the MCDEO at various meetings or gatherings. No such payment shall preclude any Director from serving the MCDEO in any other capacity and receiving compensation, therefore.

ARTICLE VI

OFFICERS

6.01 Board Officers. The Board Officers of the Corporation shall be a Board President, Vice President, Secretary, and Treasurer, 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 or by resolution of 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 Corporation, 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, but no Board Officer may act in more than one capacity where action of two or more Officers is required.

6.02 Term of Office. Each Board Officer shall serve two-year terms of office and may not serve more than two consecutive terms of office plus any partial term, unless otherwise determined by the Board. Unless elected to fill a vacancy in an Officer position, each Board Officer's term of office shall begin at the beginning of the next calendar year, and shall end at the end of the calendar year during which a successor is seated.

6.03 Removal and Resignation. The Board of Directors may remove an Officer at any time, with or without cause. Any Officer may resign at any time by giving written notice to the Corporation without prejudice to the rights, if any, of the Corporation 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.

6.04 Board President. The Board President 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.

6.05 Vice President. In the absence or disability of the Board President, the ranking Vice President or Vice President designated by the Board of Directors 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 Presidents 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 or ranking Vice President designated by the Board shall normally accede to the office of Board President upon the completion of the Board President's term of office.

6.06 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.

6.07 Treasurer. The Treasurer shall be the lead Director for oversight of the financial condition and affairs of the Corporation and shall have primary responsibility for implementing the responsibilities of the Finance Committee as specified in the committee charter. The Treasurer, working with the Finance Committee, shall oversee and keep the Board informed of the financial condition of the Corporation and of audit or financial review results. In conjunction with the Executive Director or other staff or Officers with responsibility for maintaining the financial records of the Corporation, the Treasurer shall oversee budget preparation and shall ensure that appropriate financial reports, including an account of major transactions and the financial condition of the Corporation, are made available to the Board of Directors on a timely basis or as may be required by the Board of Directors. 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.

6.08 Compensation for Board Service. Directors shall receive no compensation for carrying out their duties as Directors. The Board may adopt policies providing for reasonable reimbursement of Directors for expenses incurred in conjunction with carrying out Board responsibilities, such as travel expenses to attend Board meetings.

6.09 Compensation for Professional Services by Directors. Directors are not restricted from being remunerated for professional services provided to the Corporation. Such remuneration shall be reasonable and fair to the Corporation and must be reviewed and approved in accordance with the Board Conflict of Interest policy and state law.

6.10 Executive Director and Non-Director Officers: The Executive Director may be a Corporate Officer of the Corporation, appointed by the Board. If the Executive Director resigns as an Officer of the Corporation, he or she may no longer serve as Executive Director. The Board of Directors may designate additional Officer positions of the Corporation and may appoint and assign duties to other non-director Officers of the Corporation.

ARTICLE VII

BOARD COMMITTEES

7.01 Committees.

- (a) **Standing and Special Committees.** The committees of the Board shall be standing and special, and each Board committee shall have Membership, duties, and powers established in these Bylaws and the Board resolution or charter creating the committee. Standing committees perform continuing functions on behalf of the Board. Special 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 committees by Board action or resolution.
- (b) **Creation of Committees and Appointment of Members.** All Board committees shall be created by the Board of Directors, and the Board shall appoint all committee Members and fill any vacancies; provided, however, that the Executive Committee may create interim special 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. Each

committee must be composed of two or more voting Directors and may include non-director Members without the power to vote.

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

7.03 Executive Committee. The Board shall have an Executive Committee with powers established by the Board, consistent with these Bylaws. The President of the Corporation shall serve as Chair of the Executive Committee.

7.04 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 Board shall appoint a Committee Chair.

7.05 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.

ARTICLE VIII

EXECUTIVE DIRECTOR AND STAFF

8.01 Appointment. The Board of Directors may appoint an Executive Director as the chief executive officer of the Corporation. The Executive Director will hold office at the will of the Board and shall report directly to the Board.

8.02 Duties. The Executive Director shall be responsible for administrative management of the Corporation, with general and active supervision over the property, business, and affairs of the Corporation. The Executive Director shall carry out the policies and programs of the Corporation and perform duties as directed by the Board, subject to oversight by the Board and the Executive Committee.

ARTICLE IX

CONTRACTS, CHECKS, LOANS, INDEMNIFICATION AND RELATED MATTERS

9.01 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 Corporation shall be executed on its behalf by the Executive Director, the President, or other persons to whom the Corporation has delegated authority to execute such documents in accordance with policies approved by the Board.

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

9.03 Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to

time to the credit of the Corporation in such banks, trust companies, or other depository as the Board or a designated Committee of the Board may select.

9.04 Loans. No loans shall be contracted on behalf of the Corporation 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.

9.05 Indemnification.

- (a) **Mandatory Indemnification.** The Corporation shall indemnify a Director or former Director, who was wholly 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 Corporation against reasonable expenses incurred by him or her in connection with the proceedings.
- (b) **Permissible Indemnification.** The Corporation shall indemnify a Director or former Director made a party to a proceeding because he or she is or was a Director of the Corporation, 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) **Advance for Expenses.** Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation 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 Corporation in these Bylaws.
- (d) **Indemnification of Officers, Agents, and Employees.** An officer of the Corporation who is not a Director is entitled to mandatory indemnification under this Article to the same extent as a Director. The Corporation may also indemnify and advance expenses to an employee or agent of the Corporation who is not a Director, 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.

ARTICLE X
MISCELLANEOUS

10.01 Books and Records. The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its Members and Board of Directors, a record of all actions taken by the Members or Board of Directors without a meeting, and a record of all actions taken by committees of the board.

10.02 Conflict of Interest. The Board shall adopt and periodically review a conflict-of-interest policy to protect the Corporation'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.

10.03. Actions Regarding Membership and Ownership Interests. The Board shall exercise Membership powers and ownership interests, if any, either by Board action in accordance with these Bylaws or by delegation of authority to act for the Corporation to the Executive Committee or Executive Director or his or her designees.

10.05 Amendments. Except for those amendments reserved to the Members by law, these Bylaws may be amended, altered, repealed, or restated by a vote of the majority of the Board of Directors. In accordance with Montana law, amendments that relate to the number of Directors, the composition of the board, the term of office of Directors, the method or way in which Directors are elected or selected, or termination or cancellation of Members or classes of voting Members must be voted upon by the voting Members.

CERTIFICATE OF ADOPTION OF BYLAWS

I do hereby certify that the above Bylaws of the Montana Conservation District Employee Organization were reviewed by Executive Groupon October 18, 2023 and approved by the voting Members on November 14, 2023, and do now constitute a complete copy of the Bylaws of the Corporation, superseding all previously adopted Bylaws and amendments.