

BYLAWS

HEADWATERS LAND CONSERVANCY

Amended: 12/9/2022

I. NAME & MISSION

- A. **Name:** The name of the corporation shall be the HeadWaters Land Conservancy. (Corporation).
- B. **Mission:** The mission of the Corporation is to protect the natural beauty of North East Michigan by preserving significant land and scenic areas, advancing stewardship of land held as preserves and in conservation easements, and fostering appreciation and understanding of the environment.
- C. **Organization.** The Corporation is a charitable tax exempt, 501(c)(3) non-profit, non- sectarian corporation under the laws of the United States and the State of Michigan (“Michigan”).

II. PRINCIPAL OFFICES AND SERVICE AREA

- A. **Office:** The principal office of the Corporation shall be located in the service area of the Corporation. The Corporation may also have such other offices as the Board may designate in its service area.
- B. **Service Area:** The mission of the Corporation shall be promoted in the counties of Alcona, Alpena, Arenac, Crawford, Iosco, Montmorency, Ogemaw, Oscoda, Otsego, Presque Isle and Roscommon.

III. MEMBERS

- A. **Eligibility:** Any person or entity that contributes any goods or services will be a Member of the Corporation.
- B. **Members Meeting:** The Corporation shall conduct a meeting each year for the purpose of informing members of the Corporation’s activities and progress and to solicit input. This meeting may coincide with the Annual Meeting of the Board of Directors.
- C. **Service:** Members may be asked to consult, advise, serve on committees, and otherwise contribute to the mission of the Corporation. Members shall not have voting privileges at Board meetings.

IV. BOARD OF DIRECTORS

- A. **Directors:** The Corporation shall be organized on a directorship basis with the affairs of the Corporation managed by the Board of Directors (“Board”).

- B. Board Responsibilities:** In managing the affairs of the Corporation, the Board shall:
1. Employ the Executive Director, annually review his/her performance, approve his/her compensation, and remove him/her from office as may be deemed necessary.
 2. Review, approve, or amend all capital and operating budgets, and exercise oversight to ensure that all expenditures of the Corporation are made pursuant to all applicable laws, regulations, policies and budgets.
 3. Review and approve contracts and other legal instruments to which the Corporation is a party as it deems necessary or advisable, subject to any policy or policies it may adopt regarding the implementation of this provision.
 4. Work to ensure the financial solvency of the Corporation.
 5. Appoint legal counsel or other agents as deemed necessary and appropriate to assist the Board in meeting its responsibility to manage the affairs of the Corporation.
 6. Adopt and enforce Standards and Practices governing the operation of the Corporation that are consistent with the most current *Land Trust Standards and Practices* published by the Land Trust Alliance.
 7. Otherwise do all things necessary for the successful, proper, and continuous operation of Corporation consistent with its purposes as stated in the Articles of Incorporation, the IRS 501(c)(3) tax exemption letter, and these bylaws.
 8. Number of Directors: The number of directors shall be no greater than fifteen (15) except as allowed by Article IV.F and not less than ten (10) except as may occur by resignation, incapacitation, or death until a new director(s) is appointed.
- C. Election of Directors:** Directors may be elected or re-elected by a majority vote of the directors at the annual meeting of the Corporation. The Board may also elect by majority vote new directors at any regular meeting of the Board when a quorum is present and there is a vacancy.
- D. Characteristics of Directors:** The Board will elect members who demonstrate the willingness and capacity to serve with fidelity and diligence. In selecting members, the Board shall strive for balanced representation of the Corporation's geographical service area and its population and to include individuals with skills and abilities that assist in fulfilling the Board responsibilities.
- E. Term of Office:** The term of office shall be three (3) years. Directors may serve until the maximum number of directors is reached at which time a director may serve a maximum of fifteen (15) consecutive years or until that director's then current term expires, whichever is longer. The terms of the directors will be staggered so that no more than five (5) terms expire at the same time and a director may be elected to less than a three (3) year term to create or maintain such staggering. Directors who serve the maximum number of consecutive years may be re-elected after a one (1) year or more absence from the Board. The annual meeting date will be the ending and starting of Directors' terms.

- F. Removal:** A director may be removed for failure to fulfill the responsibilities of a director as described in these bylaws, failure to attend fifty (50) percent of Board meetings in a fiscal year, or other cause reasonably deemed sufficient by the Board. A director may be removed by a vote of two-thirds (2/3) of the directors then in office at a regularly scheduled meeting of the Board or a special meeting of the Board called for that purpose provided such action was included in the notice of the regular or special meeting.
- G. Resignation:** A director may resign at any time by giving notice to the Corporation. Any resignation shall take effect on the date of the receipt of that notice or at any time specified by the notice, and unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to be effective.
- H. Compensation:** Directors shall not receive compensation for their services. The Board may reimburse a director for expenses that are incurred on behalf of the Corporation.
- I. General Powers as to Negotiable Paper:** The Board shall from time to time prescribe the manner of making, signature or endorsements of checks, drafts, notes, acceptances, bills of exchange, obligations and other negotiable paper or other instruments for the payment of money, and designate the officer or officers, agent or agents, who shall from time to time be authorized to make, sign or endorse the same on behalf of the Corporation.
- J. Powers as to Other Documents:** The Board may authorize any officer(s) or agent(s) to enter into any contract or execute or deliver any conveyance or other instrument in the name of the Corporation, and such authority may be general or confined to specific instances. When the execution of any contract, conveyance or other instrument has been authorized without specification of the officers authorized to execute, the same may be executed on behalf of the Corporation by the Chairperson (Chair), Vice-Chairperson (Vice-Chair), Secretary or Treasurer.

V. BOARD MEETINGS

- A. Board Meetings:** The Board shall meet at least six (6) times during the fiscal year at a time and place to be decided by the Board except that the Chair may cancel up to two (2) such meetings upon agreement by two-thirds (2/3) of the directors that such meeting is unnecessary or that cancellation is otherwise in the best interests of the Corporation. Agreement for this purpose may be given by electronic communication.
- B. Annual Meeting:** An annual meeting of the Corporation shall be held within one hundred and eighty days (180) of the end of the fiscal year. The time for the annual meeting shall be set by the Board no later than the end of the previous fiscal year. The agenda shall include a review of the annual audit or review, election of Board members and officers, and, if necessary, revision of the bylaws. The Board may also add agenda items as needed and appropriate to conduct the affairs of the Corporation.
- C. Schedule of Meetings:** The Board shall set a schedule for regular meetings in a given year no later than the end of the previous fiscal year.

- D. Notice of Meetings:** A notice reminder of any regular meeting of the Board shall be given at least seven (7) days before such meeting by mail, telephone, voice mail, email or fax. A record of the notice will be kept that indicates who has been notified, by which method and the date of the notice. The meeting notice shall include an agenda and informational materials necessary for directors to make informed decisions. A director may waive notice of any meeting. Attendance by a director at a meeting shall constitute a waiver or notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transactions of any business because the meeting is not lawfully called or convened. The Board may take an action not included on a meeting agenda unless such action is precluded by law or these bylaws.
- E. Special Meetings:** The Chair or a group of three (3) directors may call for a special meeting of the Board. The special meeting shall be held within ten (10) days of the call for such. The agenda and informational material for the special meeting shall be provided to the directors no less than five (5) days before such meeting.
- F. Quorum:** A quorum shall be fifty (50) percent or more of the directors then in office in order to transact business of the Board. Then in office means duly elected and not on a leave of absence. The Chair of the Board may adjourn the meeting from time to time without further notice until a quorum is present. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if such business is approved by at least a majority of the required quorum for the meeting.
- G. Manner of Acting:** The act of a majority of the Directors present at a meeting where a quorum is present shall be the act of the Board unless a greater number is required by law or these bylaws. Proxy votes shall not be allowed at any meeting.
- H. Meeting Minutes:** The Board shall record and adopt minutes of its meetings. Such minutes shall be maintained at the principal offices of the Corporation.
- I. Virtual Attendance:** A Director may participate in meetings by conference telephone or similar communication equipment through which all persons participating in the meeting can hear each other. The names of the participants in the conference shall be divulged to all participants. Participation in a meeting pursuant to this section constitutes presence at the meeting.
- J. Meeting Rules:** Meetings shall be conducted in a manner fair to all attendees. Strict adherence to formal rules of procedure shall not be required unless the Chair, other presiding officer, or a majority of directors present determines that such formal procedures are advisable. In such case, the remainder of the meeting shall be conducted in accordance with *Robert's Rules of Order* except to the extent such *Rules* are in conflict with the Corporation's articles of incorporation, Michigan law, or these bylaws.

VI. OFFICERS

A. Office of the Corporation: The officers of the Corporation shall be Chair, Vice-Chair, Secretary, and Treasurer. The Chair shall not serve concurrently as Treasurer. These officers shall be elected at the annual meeting. Should a vacancy occur during the fiscal year, a replacement may be made at any regular meeting of the Board by a majority vote.

B. Terms:

1. The term of Chair and Vice-Chair shall be for two (2) years. A person may hold the office of Chair or Vice-Chair for no more than two (2) consecutive terms plus any partial year if elected to the office other than at the annual meeting. A person may be re-elected to the office of Chair or Vice-Chair after one (1) year out of that office.
2. The term of Secretary and Treasurer shall be for two (2) years. A person may hold the office of Secretary or Treasurer for no more than three (3) consecutive terms plus any partial year if elected to the office other than at the annual meeting. A person may be re-elected to the office of Secretary or Treasurer after one (1) year out of that office.

C. Removal: An officer may be removed for failure to fulfill the responsibilities of an officer as described in these bylaws, failure to attend fifty (50) percent of Board meetings in a fiscal year, or other cause reasonably deemed sufficient by the Board. An officer may be removed by a vote of two-thirds (2/3) of the directors then in office at a regularly scheduled meeting of the Board or a special meeting of the Board called for that purpose provided such action was included in the notice of the regular or special meeting.

D. Resignation: An officer may resign at any time by giving notice to the Corporation. Any resignation shall take effect on the date of the receipt of that notice or at any time specified by the notice, and unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to be effective.

E. Chair: The Chair shall:

1. Establish agendas for and preside over Board and Executive Committee meetings and call special meetings of the Board.
2. Appoint members of and the chair of each committee and serve as an ex-officio member of each committee.
3. Ensure compliance with Corporation bylaws and Board rules and procedures.
4. Serve as the Board representative in day-to-day supervision of the Executive Director and represent the Board in contact with other Corporation staff.
5. Sign (or cause to be signed or endorsed) checks, drafts, and notes in conjunction with the treasurer or staff as the Board may designate.
6. Present, or designate a representative to present, an annual report at the Annual Board and Annual Member Meeting(s).

7. Conduct other duties as determined by the Board.

F. Vice-Chair: The Vice-Chair shall:

1. Perform the duties of the Chair during his or her absence.
2. Assume the responsibilities of the Chair in the event of his or her resignation, incapacitation, or death.
3. Conduct other duties as determined by the Chair or Board.

G. Secretary: The Secretary shall:

1. Ensure that proper notice of all meetings of the Board is given and that the minutes of all meetings of the Board are properly recorded and distributed to directors in a timely manner. Minutes shall include the attendance of Board members.
2. Ensure that files of the official documents and records of the Corporation are maintained.
3. Conduct other duties as determined by the Chair or Board.

H. Treasurer: The Treasurer shall:

1. Ensure that annual operating and capital budgets are prepared and presented to the Board in a timely manner.
2. Ensure that the accounting and financial records of the Corporation are properly kept and distributed, that all funds are properly recorded and deposited according to Board policies and procedures, and that the Board receives at its meetings statements that accurately reflect the Corporation's monthly financial position.
3. Call to the Board's attention any significant variation from the budget and/or unusual financial items.
4. Ensure that an annual audit or review by a Certified Public Accountant (CPA) or CPA firm providing a statement accurately representing the financial standing of the Corporation for the previous fiscal year is prepared and presented to the Board in a timely manner.
5. Report on the financial position of the Corporation at the Annual Board and Membership Meeting(s).
6. Conduct other duties as determined by the Chair or Board.

I. Honorary or Emeritus Officers and Advisors: The Board may elect one or more honorary members of the Corporation whose character, demonstrated leadership and distinguished service would serve as inspiration to the Board and members of the corporation. An honorary officer shall have powers, with the exception of voting, and perform such duties as may be assigned by the Board.

VII. COMMITTEES:

A. Executive Committee: The Executive Committee shall consist of the officers of the corporation and one other director appointed by the Board Chair. The committee will meet only as required to conduct business of the Corporation which cannot be done at a regular meeting of the Board or as authorized by previous Board action. The committee may take action on behalf of the Corporation by majority vote of members present and shall report such actions to the Board at its next regular meeting. The Executive Committee may exercise all powers of the Board except those expressly reserved by these bylaws, Board resolution, or to:

1. Amend the Articles of Incorporation or bylaws.
2. Fill a vacancy on the Board or remove an officer or director.
3. Hire or terminate the Executive Director.
4. Approve the budget or modify it in an amount greater than \$5,000.
5. Make decisions which contribute to a major change in the operations or mission of the Corporation.
6. Commit the Corporation to contracts that have a value greater than \$5,000.
7. Change, revise, or alter in any way, duly passed motions of the Board unless the Board specifically gives the Committee authority to make changes.
8. Adopt an agreement of merger or consolidation with another organization.

B. Standing Committees:

1. **Finance:** The Finance Committee shall consist of the Treasurer, and not less than one (1) additional director and such other members as the Board Chair shall appoint. The Finance Committee shall:
 - a. Oversee financial matters relating to the Corporation including review and recommendation of budgets, cash flow projections, Corporation borrowing, Corporation insurance coverage, contracts and grants, investment management and similar matters. The Finance Committee may secure such assistance as it determines necessary in management of the Corporation investments.
 - b. Monitor compliance with federal, state, and other financial reporting requirements.
 - c. Ensure the financial operation of the Corporation complies with Standard 6 Financial Oversight, as required by Article IV.B.6. of these bylaws.
 - d. Conduct related duties as determined by the Board.

2. **Development:** The Development Committee shall consist of such members as appointed by the Board Chair, at least one of whom shall be a director who shall serve as Committee chair. The Development Committee shall:
 - a. Oversee the design and implementation of the Corporation's fundraising plans including the identification, cultivation and stewardship of donors.
 - b. Review any proposed capital fundraising campaigns and advise the Board and staff as to their implementation.
 - c. Conduct related duties as determined by the Board.
 3. **Lands:** The Lands Committee shall consist of such members as appointed by the Board Chair, at least one of whom shall be a director who shall serve as Committee chair. The Lands Committee shall:
 - a. Advise the Board on the acquisition or disposition of land and conservation easements.
 - b. Oversee the Corporation's efforts to protect the conservation values of its preserves, conservation easements and other properties.
 - c. Conduct related duties as determined by the Board.
 4. **Governance:** The Governance Committee shall consist of such members as appointed by the Board Chair, at least one of whom shall be a director who shall serve as Committee chair. The Governance Committee shall:
 - a. Oversee the recruitment, nomination, orientation, training, development, evaluation, and retention of Board members.
 - b. Recruit and nominate officers.
 - c. Ensure compliance with limitations on the terms of directors and officers, including the staggering of director terms.
 - d. Periodically review and recommend changes to Corporation bylaws.
 - e. Coordinate the review and amendment of Corporation Standards and Practices.
 - f. Conduct the Board self-evaluation.
 - g. Conduct related duties as determined by the Board.
- C. Other Committees:** The Chair of the Board may appoint other committees as deemed necessary. These committees will be limited to a specific purpose and time limited as set forth by the Chair.
- D. Committee Minutes:** Each committee shall keep minutes of its meetings. Such minutes shall be accessible to the Board.

VIII. OPERATING PERSON

- A. Operating Executive:** The operating head of the Corporation shall be the Executive Director. The Executive Director shall be employed at the pleasure of the Board and shall administer the daily activities of the Corporation as authorized by the position's job description and or as assigned by the Board or Chair.

IX. INDEMNIFICATION

- A. Indemnification:** The Corporation shall indemnify directors and officers against expenses (including attorney fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by them in connection with any legal action or brought or threatened against them, including actions by or in the right of the Corporation, by reason of the fact that such person was serving as a director or officer of the Corporation, to the fullest extent provided by law.
- B. Authorization of Indemnification:** Indemnification shall be made (unless ordered by the court or provided by law) only upon determination that such director or officer has acted in good faith and in the best interests of the Corporation. Such determination shall be made by:
1. Majority vote of a quorum of Directors who are not parties to such action;
 2. If no such quorum is possible, then by vote of a committee designated by the Board consisting solely of two (2) or more Directors who are not parties; or
 3. By written opinion of legal counsel for the Corporation or other independent legal counsel appointed by the Board.
- C. Insurance:** The Corporation will purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation, or is or was serving at the request and on behalf of the Corporation, against liability incurred in such capacity.

X. FISCAL YEAR

- A. Fiscal Year:** The fiscal year of the Corporation shall be January 1st through December 31st.

XI. DEDICATION OF ASSETS

- A. Assets:** All properties of the Corporation and accumulations thereof shall be held and administered to effectuate the Corporation's tax-exempt mission, and no part of the Corporation's income shall inure to the private benefit of any individual.
- B. Dissolution:** In case of liquidation or dissolution of the Corporation, all Corporation property, capital and assets of every kind and wherever located shall be assigned, transferred and conveyed to such organizations that are qualified as tax-exempt organizations (under the IRS 501c3 code) and with a mission similar to the Corporation.

XII. WAIVER OF NOTICE

- A. Waiver of Notice:** Whenever any notice is required to be given under the Michigan Non-profit Corporation Act, or the Articles of Incorporation or bylaws of the Corporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time the notice was required, shall be deemed equivalent to the giving of such notice.

XIII. CONFLICT OF INTEREST

- A. Conflict of Interest:** Directors may have a business relationship with the Corporation if it can be clearly shown that such a relationship is serving the best interest of the Corporation. It is the responsibility of the director to notify the Board of the conflict. If a conflict should arise regarding any matter under voting consideration, which pertains to the business relationship, the director will abstain from voting. A director with a conflict may provide information regarding the matter under consideration, but will refrain from any comments that may influence the decision of the Board.

XIV. ADMENDMENTS

- A. Amendments to the Articles of Incorporation:** Proposed amendments to the Corporation's Articles of Incorporation must be submitted in writing to the Directors at least one (1) month in advance of the Annual Meeting of the Board or of any special meeting of the Board called for such purpose. The vote of two-thirds (2/3rds) of the Directors then in office shall be required to adopt the amendment(s).
- B. Amendments to the Bylaws:** These bylaws may be amended or repealed in whole or part. Proposed change to the bylaws must be submitted in writing to the Board at least one (1) month in advance of the annual meeting or special meeting of the Directors called for such purpose. The vote of two-thirds (2/3rds) of the Directors then in office shall be required to amend the bylaws of the Corporation. No action or amendment shall be taken that in any way adversely affects the corporation's qualification as a tax-exempt Corporation under Section 501c3 of the IRS code as it now exists or may hereafter be amended.

XV. LOBBYING AND POLITICAL ACTIVITIES

- A. Participation:** The Board, the directors and all staff of the Corporation shall not participate on behalf of the Corporation in any way in the activities of a person who is a candidate for public office.
- B. Lobbying:** No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation. It shall comply with the Internal Revenue Code in conducting any lobbying activities.