



The Montana Department of  
**Natural Resources  
& Conservation**

**CONSERVATION DISTRICT**  
**MODEL OPERATIONS**  
**POLICIES AND PROCEDURES**  
**2025**

DNRC CONSERVATION DISTRICTS BUREAU

UPDATED JULY 2025

[LINK TO DNRC/CDB TRAINING SITE](#)

# CONTENTS

## INTRODUCTION

## HOW TO USE THESE MODEL OPERATIONS POLICIES AND PROCEDURES

<b>FINANCIAL MANAGEMENT</b>	<b>6</b>
1.0 ANNUAL FINANCIAL REPORTS	6
2.0 AUDIT THRESHOLDS AND REQUIREMENTS	6
3.0 TRAVEL REIMBURSEMENT	7
3.1 SUPERVISOR TRAVEL AND COMPENSATION	7
3.2 TRAVEL REIMBURSEMENTS FOR SUPERVISORS AND EMPLOYEES	7
4.0 USE OF FUNDS, FINANCIAL AUTHORITY, FINANCIAL MANAGEMENT	8
4.1 USE OF FUNDS	8
4.2 CONSERVATION DISTRICT SUPERVISOR FISCAL RESPONSIBILITIES	8
4.3 BUDGETING	8
4.4 CAPITAL EXPENDITURES AND REPLACEMENT FUNDING	9
4.5 CASH RECEIPTS AND DEPOSITS	9
4.7 DISBURSEMENTS	9
4.8 CHECK SIGNING	9
4.9 ASSET MANAGEMENT	10
4.10 CAPITAL IMPROVEMENT OR INVESTMENT PLAN	10
4.11 OPERATIONAL RESERVE FUND	11
4.12 INVESTMENT ACCOUNTS	11
4.13 FISCAL SPONSORSHIPS	11
5.0 PURCHASING AND PROCUREMENT	12
5.1 PURCHASING—USE OF CREDIT CARD	13
6.0 REVENUE AND MILL LEVY	14
6.1 REPORTING PROJECT REVENUE NEEDS TO THE COUNTY	14
6.2 PERMISSIVE MILL LEVY	14
7.0 MONTHLY FINANCIAL REPORTING	14
7.1 FINANCE COMMITTEE	14
7.2 TREASURER/FINANCE COMMITTEE MONTHLY REVIEW	14
7.3 TREASURER	15
<b>OPERATIONS</b>	<b>15</b>
8.0 ADMINISTRATIVE FUNCTIONS OF SUPERVISORS	15
8.1 DNRC REPORTING AND RECORDS REQUIREMENTS (also see 10)	15

8.2	SURETY BONDS	16
8.3	DELEGATION OF AUTHORITY	16
8.4	MEETING MINUTES	16
9.0	RIGHT OF PUBLIC TO KNOW AND PARTICIPATE	17
9.1	PUBLIC PARTICIPATION	17
9.2	PUBLIC NOTICE	17
9.3	CLOSED/EXECUTIVE SESSIONS	17
9.4	CONSENT AGENDA	18
9.5	PUBLIC INFORMATION REQUESTS	18
10.0	MANAGEMENT OF PUBLIC RECORDS	19
11.0	QUORUM (ALSO SEE 20)	20
12.0	STANDARDS OF CONDUCT	20
12.1	CONFLICT OF INTEREST	20
12.2	ETHICAL CODE OF CONDUCT	20
13.	REGULAR REVIEW OF INSURANCE	21
14.0	STRATEGIC/OPERATIONAL PLANNING	21
	<b>SUPERVISORS, ELECTIONS, AND GOVERNANCE</b>	<b>21</b>
15.	SUPERVISORS	21
16.	GOVERNING BODY OF DISTRICT AND RESIDENCY	22
17.	ELECTIONS	22
18.	OATH OF OFFICE	22
19.	TERMS OF OFFICE	23
20.	MEETING ATTENDANCE	23
21.	REMOVAL OF SUPERVISOR	24
22.	ELECTION OF PRESIDING OFFICER AND SUPERVISOR ROLES AND RESPONSIBILITIES	24
22.1	OFFICERS OF THE BOARD	24
22.2	ASSOCIATE SUPERVISORS	24
22.3	CONSERVATION DISTRICT COMMITTEES	25
22.4	SUPERVISOR ORIENTATION	26
23.	LEGAL ASSISTANCE	26
	<b>PERSONNEL MANAGEMENT</b>	<b>26</b>
	<b>310 MANAGEMENT</b>	<b>26</b>
	<b>CONSERVATION DISTRICT WATER RESERVATIONS</b>	<b>26</b>

## INTRODUCTION

Conservation districts are political subdivisions with broad power and authority to carry out programs that conserve soil and water, protect streams and rivers, and improve other natural resources. Funding for operations comes from a tax levied on real property within the boundaries of the conservation district and from grants for operations and special projects. Conservation districts are autonomous local governmental entities and as such.

Conservation districts carry out most work in cooperation with many partners. Key partners include the following, but there are many others:

- The Natural Resources Conservation Service provides office space and equipment for many conservation districts in exchange for conservation district assistance for planning and providing local guidance in federal program delivery. A three-way memorandum of agreement between the Natural Resources Conservation Service, the Montana Department of Natural Resources and Conservation (DNRC) and conservation districts outlines roles and responsibilities for many of these activities; however, conservation districts have many independent responsibilities that are not covered under this agreement.
- The Montana Association of Conservation Districts provides coordinating, educational, and legislative services for and with conservation district supervisors.
- DNRC's Conservation Districts Bureau provides financial and technical assistance to conservation districts.
- The county collects and distributes taxes to the conservation district as directed by the supervisors, but the county has no authority to direct programs or finances of the conservation district.
- The Montana Department of Fish, Wildlife and Parks by law is a team member on all 310 applications. They provide advice on the Montana Streambed and Land Preservation Act (310 permits).

Become familiar with the laws pertaining to conservation districts – most notably, [Secs. 76-15-101 through 76-15-1011, M.C.A.](#) These laws set out the purpose, authorities, and scope of conservation district duties. Another important law to become familiar with is [Secs. 75-7-101 through 75-7-125, M.C.A.](#), which describes conservation district authority and responsibilities for stream permitting.

A copy of “Laws Pertaining to Conservation Districts,” typically updated after each legislative session, can be obtained from the DNRC's website at: <https://dnrc.mt.gov/Conservation/Conservation-Programs/Conservation-Districts/cd-resource-documents>.

## HOW TO USE THESE MODEL OPERATIONS POLICIES AND PROCEDURES

Montana Conservation District Law [Secs. 76-15-101 through 76-15-810, M.C.A.](#), as well as laws pertaining to political subdivisions, set standards for conservation districts regarding the following:

1. Financial Management
2. District Operations
3. Supervisors, Elections & Governance
4. Personnel Management
5. 310 Administration
6. Water Reservations Administration

The model policies within this document aim to capture the laws conservation districts must follow and align with the [DNRC Conservation Districts Accountability Assessment](#). The policies and procedures include guidelines and examples meant for customization to fit your district's operations and workflow; they are not comprehensive.

Throughout, there are annotations for policies that must be adopted without change or they identify whether the conservation district has discretion to make minor changes to meet the business needs of the district. If the annotation indicates that the adoption is required and the conservation district does not adopt it, the law will still apply. ***Remove annotations, this page, and other informational or instructional pages prior to the district's adoption of its policies and procedures.***

The policy number references, e.g. "**1.0 ANNUAL FINANCIAL REPORTS**," correspond to the accountability assessment for easy reference. Conservation district's model personnel policy, 310 model rules, and water reservation administration are captured in separate documents. These guidelines are specific to financial management, district operations, and supervisors, elections, and governance.

With direction, the Board of Supervisors may delegate authority to the district administrator to develop related procedures for the adopted policies. All policies and procedures must be adopted at a publicly noticed meeting by a quorum of the board.

As required by law, once the policy has been adopted by the conservation district it must be followed. Keep a copy of the district's adopted policies for reference. In addition, a copy must be sent to DNRC for filing with other important conservation district policies, ordinances, rules, and contracts per [Sec. 76-15-315, M.C.A.](#)

*Disclaimer: Please read this notice before relying on any information in this document. It is provided as guidance only and does not constitute legal advice. The information provided should not be interpreted or used as a substitute for a legal opinion from your county attorney or otherwise retained and qualified legal counsel. When considering which rules to follow (federal, state, or local requirements), an entity must comply with the most restrictive requirements.*

## FINANCIAL MANAGEMENT

### 1.0 ANNUAL FINANCIAL REPORTS

The conservation district submits its Annual Financial Report (AFR) to the Montana Department of Administration (DOA), Local Government Services Bureau (DOA-LGSB) annually. AFRs submitted after the due date may be subject to penalties and publication fees.

Fiscal Year End Date	Annual Financial Report is Due
June 30	December 31
December 31	June 30

#### Resources:

[DOA-LGS Resources and Templates](#)

*Annotation: Adoption required. [Sec. 76-15-315 \(4\)\(c\), M.C.A.](#), requires that CDs: (c) provide for annual audit of the accounts of receipts and disbursements. Further, conservation districts who receive CD Administrative funds through DNRC are required to submit annual expenditures provided as a Profit and Loss statement or Balance Sheet as a deliverable through the grant award.*

### 2.0 AUDIT THRESHOLDS AND REQUIREMENTS

The conservation district procures services, completes, and files audits when required in accordance with the regulation that corresponds with revenue.

#### Compliance Audit

If total financial assistance (revenues from all sources, including debt proceeds) in a fiscal year period exceeds the statutory threshold established in Sec. 2-7-503, M.C.A., or if requested by DOA-LGSB, the conservation district must file an audit report with the DOA within 12 months of the end of the audited period per Sec. 7-6-611, M.C.A. For fiscal years ending in 2024 or earlier, the threshold amount is greater than \$750,000. Effective fiscal year ending in 2025, the threshold amount is increased to greater than \$1,000,000.

An audit is an examination of the financial statements of the conservation district resulting in the issuance of an independent opinion on whether the financial statements are fairly stated according to generally accepted accounting principles. The audit also reports any federal, state or local compliance issues as well as provides a report on internal controls. The conservation district contracts with a Certified Public Accountant (CPA) for the audit. The CPA must be on the DOA's list of approved auditors (audit roster). The conservation district board approves the contract each year. The contract, signed by the board chair and CPA, is then sent to the DOA for review, approval, signatures, and filing. The DOA-LGSB will notify the conservation district and CPA firm of its approval of the contract and will file the contract on the DOA's online document web-portal so that the parties to the contract may retrieve it at their convenience. Audit services are not to begin until the DOA has signed the audit contract.

#### Federal Single Audit

If the conservation district is the recipient of federal grant funds, the board will include a Single Audit review at its annual budget meeting. If federal expenditures in the prior fiscal year exceed the threshold set by 2 CFR 200.501 (currently \$750,000 for awards made prior to October 2024 and \$1,000,000 for awards made after October 2024), the conservation district will procure an auditor from the DOA audit roster to ensure that a Federal Single Audit is conducted. Audits must be completed and uploaded to the DOA-LGSB and submitted to Federal Audit Clearinghouse nine months after the close of the fiscal year.

### **Annual Financial Reviews**

If a compliance audit through the DOA or a Federal Single Audit is not required in any given calendar or fiscal year, it is the policy of the conservation district to perform an internal financial review annually and a third-party financial review every four years.

At a minimum, the following should be included in the conservation district's internal and third-party reviews:

1. Financial policies and procedures to ensure that proper checks and balances are in place for all financial transitions;
2. Review of a year-end income statement/profit and loss and balance sheet;
3. Review of check statements vs. check register;
4. Review of credit card statements vs. card payments; and
5. Confirmation of payroll taxes paid.

*Annotation: Audits are required based on revenues and when those revenues were received.*

## **3.0 TRAVEL REIMBURSEMENT**

### **3.1 SUPERVISOR TRAVEL AND COMPENSATION**

Upon the unanimous approval of the Board of Supervisors, a supervisor may receive compensation for the supervisor's services, including travel expenses, incurred in the discharge of the supervisor's duties. However, a supervisor may not receive compensation for attendance at a regularly scheduled meeting of the Board of Supervisors. State rates are used for travel reimbursement for supervisors and staff.

### **3.2 TRAVEL REIMBURSEMENTS FOR SUPERVISORS AND EMPLOYEES**

When conservation district business is with individuals or organizations out of the immediate vicinity of the conservation district's principal offices and place of business, travel may be essential for its fulfillment. Board members or employees traveling on behalf of the conservation district must be mindful of the need for efficiency and economy in travel.

All travelers should make travel arrangements based upon the schedule of the function being attended. If arrival is earlier than the scheduled time of the function or a longer stay is desired, additional lodging and per diem will be the responsibility of the traveler. Car rental, shuttle or taxi is allowable, if necessary, but will not be reimbursed for additional days.

Reimbursement rates will correspond to those outlined in [Secs. 2-18-501, M.C.A. through Sec. 2-18-503, M.C.A.](#)

Travel reimbursement will be provided based on submitted claims as outlined in [Sec. 2-18-511,](#)

[M.C.A.](#)

[Travel Expense Voucher Form](#) example.

**Resources:**

[DOA Travel Resources, Policies, and Forms](#)

[State of Montana Travel Policy](#) – Includes an extensive policy that can be adopted in full or part.

*Annotation: Conservation district supervisors may receive travel reimbursement per [Sec. 76-15-313 \(3\), M.C.A.](#), M.C.A. but are not required to and cannot be compensated for the time spent at a regular meeting. Conservation district employees should be reimbursed for travel using rates according to [Sec. 2-18-501, M.C.A.](#) Employee travel information and rates are summarized using the link above.*

## **4.0 USE OF FUNDS, FINANCIAL AUTHORITY, FINANCIAL MANAGEMENT**

### **4.1 USE OF FUNDS**

Conservation district funds may be raised and used only for lawful purposes related to conservation district law and in a manner appropriate for governmental spending, [Sec. 76-15-501, M.C.A.](#) The conservation district shall have the power, directly or indirectly, alone or in conjunction with others, to do any and all lawful acts that may be necessary or convenient to affect the purposes for which conservation districts are organized. They also may aid or assist other organizations or persons whose activities further accomplish, foster, or attain such purposes. The powers of the conservation district may include but are not limited to acceptance of contributions and grants from the public and private sectors, whether financial or in-kind contributions.

### **4.2 CONSERVATION DISTRICT SUPERVISOR FISCAL RESPONSIBILITIES**

The Board of Supervisors has a responsibility to ensure compliance with both federal and state financial management laws and regulations and to provide oversight of the organization's funds.

To accomplish this, the board shall establish a finance committee and financial policies. The district administrator or designated staff is authorized to create and maintain a finance and accounting procedure manual to implement board approved policies. Typically, financial procedures do not need board approval but may be reviewed by the finance committee.

**Resources:**

**10-Minute Training on [CONSERVATION DISTRICT FISCAL RESPONSIBILITIES](#)**

### **4.3 BUDGETING**

The conservation district operates on a fiscal year (July 1 – June 30).

**OR**

On a calendar year (January 1 – December 31).

It is the policy of the conservation district to maintain an annual operating budget. The budget will initially be compiled by the conservation district's staff and reviewed by the finance



committee before being scheduled for review and public comment. The Board of Supervisors is responsible for approving the annual budget at the regularly scheduled [month] meeting.

It is the responsibility of the conservation district or designated staff to forward the preliminary operating budget to the county by the first Monday of July per [Sec. 76-15-511, M.C.A.](#) and [Sec. 7-6-4020, M.C.A.](#)

The board authorizes the district administrator to manage conservation district operations and pay bills within the approved annual operating budget. Programmatic or operational changes that may have an impact on the annual operating budget shall be reviewed by the treasurer/finance committee and their recommendation will be reported to the board who votes on the spending request.

#### **4.4 CAPITAL EXPENDITURES AND REPLACEMENT FUNDING**

Anticipated capital expenditures shall be included in the normal budgetary process, and when necessary, as part of a separate capital improvement investment plan. The annual operating budget shall include purchase requests for all new and replacement capital expenses.

#### **4.5 CASH RECEIPTS AND DEPOSITS**

Cash receipts (check or cash) shall be recorded in a deposit ledger and then immediately endorsed with a 'For Deposit Only' stamp. Checks shall be photocopied. Cash shall be verified by the documentation which accompanies the cash receipt. Copies of checks and cash documentation shall be attached to each deposit record.

Receipts shall be deposited to the conservation district's account at least once per week. A copy of the deposit record and a copy of the corresponding check or cash documentation for each item shall be retained. The treasurer/finance committee will review and verify that the deposit register and deposit records align with the bank statement in accordance with the conservation district's monthly financial review procedures.

#### **4.7 DISBURSEMENTS**

The board chair, board treasurer, and district administrator shall be designated as signatories on conservation district accounts. In the case that the chair or treasurer are not located within proximity to the office, another board supervisor may be designated by the board as a signatory. All invoices are subject to budget authority. Checks written on invoices above \$1,000 must have two signatures. District administrator approval is allowed when the expense has been previously budgeted and approved by the board. Payroll checks and any other checks made payable to the district administrator shall be signed by signatories other than the district administrator.

*Annotation: These disbursement thresholds are discretionary for the Board of Supervisors and should be established based on the conservation district's business needs.*

#### **4.8 CHECK SIGNING**

The treasurer/finance committee is authorized to review and approve budgeted monthly expenses. Disbursements shall be made according to the following policy and procedure:

1. The board chair, treasurer, and district administrator are authorized by the Board of Supervisors for check signing authority.

2. The Board of Supervisors by resolution passed by a majority of members may authorize additional check signers to include members of the conservation district board and staff.
3. The district administrator shall maintain a list of vendors/suppliers who may be paid prior to finance committee approval. The expenses shall generally include rent, utilities, office supplies, field supplies, and fuel, as well as recurring maintenance and custodial activities related to the conservation district's office building.
4. An individual may not sign a check made out to them.
5. Two signatures are needed on all other disbursements exceeding \$1,000.
6. The district administrator or designated staff is authorized to maintain the checking and investment accounts of the conservation district.
7. The district administrator or designated staff and treasurer will ensure that accurate and concise financials are submitted to the treasurer/finance committee each month per conservation district policy.
8. The board will review and approve a year-to-date income or profit and loss statement and balance sheet quarterly.
9. A finance manager/bookkeeper may be hired to handle daily financial transactions and monthly financial statements.
10. All documents will be kept on file at the conservation district office in accordance with CD's records management and retention policies and submitted to an accounting professional for verification in accordance with the annual financial review policy as outlined in Section 2.0. Audit Thresholds and Requirements.

#### **4.9 ASSET MANAGEMENT**

##### **EQUIPMENT**

Equipment owned by the conservation district shall be used exclusively for conservation district business. It is the responsibility of conservation district staff to ensure maximum use of all equipment by providing proper maintenance and following guidelines within equipment warranties, manuals, and suggested use.

##### **INVENTORY**

The district administrator shall maintain a current and updated electronic inventory of all equipment for insurance purposes covering items with a value of \$2,000 or more. The inventory shall include the following:

- Description of item
- Location
- Serial number and /or model number
- Date of purchase
- Purchase price
- Warranty information
- Disposition and date

#### **4.10 CAPITAL IMPROVEMENT OR INVESTMENT PLAN**

In addition to an operational reserve, the conservation district may reserve funds for other goals such as projects, capital improvements, or other projected needs. [Sec. 7-6-616, M.C.A.](#), requires a capital improvement plan (CIP) for any item of \$5,000 or more with a life expectancy of five years or more. A CIP is a long-term roadmap that aligns capital expenditures with financial objectives. The district administrator in conjunction with the treasurer/finance committee is charged with developing the plan for board review and approval.

**Resources:**

[MT Department of Commerce Capital Improvements Planning Manual](#)

**4.11 OPERATIONAL RESERVE FUND**

The financial objective of the conservation district is to have an operational reserve fund to provide for six months of operating income. Details of what this reserve will specifically cover and when board authorized disbursements may be made shall be detailed when the fund is established. Funds for the reserve will come from the surplus generated from operations, or the net operating excess for each fiscal year at the discretion of the board and be invested in accordance with the conservation district investment policies. Management of surplus funds will be in accordance with [Sec. 76-15-508, M.C.A.](#)

*Annotation: The six-month operating income is discretionary for the board but highly advisable.*

**4.12 INVESTMENT ACCOUNTS**

Statutory obligations for financial management by conservation districts are specified in [Sec. 76-15-501, M.C.A.](#) Supervisors are given authority to manage district funds whether those funds are borrowed, generated through fee collection, through tax levies or by way of loans and grants. Generally speaking, a Board of Supervisors has broad authority when managing district funds.

The treasury of the county in which the district sits is the depository of the county tax funds for the district. The district may demand those monies from the treasurer and deposit funds in a bank or financial institution “in such account as the Board of Supervisors considers appropriate for the operation and administration of the district.” [Sec. 76-15-523, M.C.A.](#) If the district deems appropriate those funds may be placed in an interest bearing or other investment account.

When deciding how funds are to be managed and held, the supervisors should keep at the forefront the following principles: 1) such funds are taxpayers dollars entrusted to the discretion of the district and 2) any such funds should be managed and expended to further the purposes of a conservation district provided for in Title 76, Chapter 15, Montana Code Annotated. See [Sec. 76-15-527, M.C.A.](#)

*Annotation: In assessing grant eligibility, the DNRC may consider monies held in investment accounts as funds not fully exhausted. A CD should consider the potential pitfalls of holding funds in investment accounts if it makes other funds unavailable.*

**4.13 FISCAL SPONSORSHIPS**

A conservation district may act as a fiscal sponsor for projects and programs that are directly aligned with the mission of conservation districts. As the fiscal sponsor, the conservation district agrees to assume administrative, programmatic, financial, and legal responsibility in alignment with federal and state law.

All fiscal sponsorships shall be documented in a written agreement detailing the roles and responsibilities of the parties to include project details and timelines, any conditions set by the funder, reporting requirements, and other conditions appropriate for legal compliance and

successful management of the grant.

#### **4.14 ACCOUNTING FOR INDIVIDUAL PROGRAMS AND PROJECTS**

The conservation district will account for each program or project separately in its accounting documentation to ensure grant reporting is accurate according to the time and money spent.

When needed the conservation district will maintain separate accounts for its various programs to more easily manage conservation district operations. Though the county is the depository of conservation district funds pursuant to [Sec. 76-15-523, M.C.A.](#), the conservation district is a separate unit of government and is able to make its own decisions in managing its funds.

### **5.0 PURCHASING AND PROCUREMENT**

The conservation district is authorized to enter, execute, and advertise contracts pursuant to [Secs. 76-15-1001 through 76-15- 1014, M.C.A.](#) and is required to give preference to Montana vendors and the lowest bidder in accordance with [Sec. 18-1-102, M.C.A.](#) Conservation districts are obligated to follow state procurement laws pursuant to [SB 77](#), passed in the 2025 legislative session.

All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. Awards shall be made to the bidder whose bid or proposal is responsive to the needs of the organization and is most advantageous to the conservation district.

Procurement of goods and services require that the conservation district follow documented procurement policies and procedures, which will be reviewed periodically to ensure they incorporate and follow applicable regulations. Procurement procedures must ensure the following:

1. All solicitations clearly and accurately describe the requirements of the goods, services, or construction to be procured; and
2. All solicitations must identify all requirements that bidders must fulfill, and the factors used in evaluating bids.

Purchasing limits:

1. Small Purchases: Purchases of goods and services with a total value of \$10,000 or less may be conducted by direct negotiation. In addition to price, the district will consider the quality of goods/services and past experience with the vendor. The district will maintain records of the goods/services sought, the vendor(s) contacted, and the reason for selection.
2. Limited Solicitation: Purchases of goods and services with a total value greater than \$10,000 and less than \$100,000 shall use a Limited Solicitation process. The district will solicit written quotes from a minimum of three vendors. Factors that may be considered include price, quality, availability, responsiveness, and past experience with the vendor. The quotes and reason for selection will be included with project documentation.
3. Formal Solicitation: For goods/services with a total contract value over \$100,000, a competitive Invitation for Bids (IFB) or Request for Proposals (RFP) is required in accordance with Montana Code Annotated Title 18, Chapter 4. Bids/proposals will be scored by staff and evaluated by board members. Awards must be made to the lowest responsive bidder.

The Total Contract Value (TCV) is the entire financial obligation of a contract, encompassing all payments, fees, and potential additional costs over the contract's lifespan and must be considered when determining which purchasing method to use for any given procurement. It includes not only the initial purchase price but also any recurring fees, renewal costs, installation, shipping, and other associated expenses. TCV is a significant factor that dictates the procurement process. When planning for a procurement, CDs must consider the TCV in determining the necessary steps and procedures for a given procurement. The planning tools and templates later in this document will help determine TCV.

No employee, corporate officer, board member, or agent shall participate in the selection, award, or administration of a contract if a real or apparent conflict of interest is involved. Such a conflict would arise when the employee, board member or agent, any member of his or her immediate family, his or her partner, or an organization or entity which employs or is about to employ any of the parties indicated herein or in which any of such persons is an owner, shareholder, officer, director, partner, or member, has a financial or other interest in the firm selected for an award.

Supervisors and employees should review Montana Code Annotated Title 2, Chapter 2, related to codes of ethical conduct during contracts and procurement.

## **5.1 PURCHASING—USE OF CREDIT CARD**

District staff are generally authorized to purchase items included in grants they administer, provided that they have been approved by the Board of Supervisors. Authorized employees may use a district credit card to procure goods and services for job related activities when and only when an expenditure request has been made to and approved the immediate supervisor. Individual transaction purchase authorization limit is set at \$[*insert appropriate amount*].

District credit cards must be used solely for authorized purposes and in compliance with all applicable laws, rules, and regulations governing disbursements. Each authorized cardholder must adhere to the following policy:

1. A purchasing card must **NOT** be used to:
  - a. Obtain cash advances from financial institutions;
  - b. Make personal purchases;
  - c. Purchase equipment, materials, or supplies restricted by policies, guidelines, or contractual agreements;
  - d. Purchase materials or services from any member of the cardholder's immediate family; or
  - e. Purchase fuel for a personal vehicle.
2. The district administrator shall provide the Board of Supervisors with a statement that displays detailed transaction activity for each card during the current billing cycle.
3. The district administrator must report lost or stolen credit cards immediately after the loss is discovered by calling the district bank customer service center and notifying the immediate supervisor.
4. Employees are financially responsible for any transactions that are deemed unauthorized or unrelated to official duties. If the employee cannot immediately reimburse the district for the disallowed charges, including any accrued interest, the amount will be deducted from their pay. In some cases, unauthorized transactions

may carry criminal implications; at the discretion of the immediate supervisor, such matters may be referred to law enforcement.

5. Card users with a history of card misuse or who fail to observe this policy will have their privileges revoked and will be subject to disciplinary action, up to and including possible termination of employment.

## **6.0 REVENUE AND MILL LEVY**

### **6.1 REPORTING PROJECT REVENUE NEEDS TO THE COUNTY**

In accordance with [Secs. 76-15-511 through Sec. 76-15-513, M.C.A.](#), the conservation district shall on or before the first Monday of July of each year furnish the Board of County Commissioners a written estimate of the amount of money to be raised by assessment to cover incidental expenses and to fund a conservation practice loan program in those districts having established such a program for the ensuing fiscal year.

#### **Resources:**

[MILL LEVIES FACT SHEET](#)

### **6.2 PERMISSIVE MILL LEVY**

Conservation districts may use the permissive mill levy to assess annual property tax in amounts necessary to provide health insurance to their employees.

A permissive mill levy is restricted by purpose and use for group benefits such as group hospitalization, health, medical, surgical, life, and other similar and related group benefits provided to officers and employees of political subdivisions, including flexible spending account benefits and payments in lieu of group benefits. It is authorized to be levied without a taxpayer vote. However, taxpayers can participate and comment through required annual public hearings.

Levies implemented must be calculated separately from the mill levies calculated under [Sec. 15-10-420, M.C.A.](#) The employer's contributions may exceed but may not be less than \$10 a month, [Sec. 2-18-703, \(4\)\(a\), M.C.A.](#)

#### **Resources:**

[PERMISSIVE MILL LEVY FACT SHEET](#)

## **7.0 MONTHLY FINANCIAL REPORTING**

### **7.1 FINANCE COMMITTEE**

The board may authorize the creation of a standing finance committee. The finance committee is chaired by the treasurer and is made up of at least one other board member or associate supervisor. The responsibility of the finance committee is to oversee the financial activities of the conservation district, confirm financial management records are accurate, and to report the status to the full board at regular meetings.

### **7.2 TREASURER/FINANCE COMMITTEE MONTHLY REVIEW**

In accordance with [Sec. 76-15-526, M.C.A.](#), the conservation district treasurer or authorized finance committee reviews the financial statements and documents as outlined below and

provides a report at each regular meeting confirming the review and results of cash on hand, receipts, and disbursements. The report will be approved by the board.

**Monthly Review.** The treasurer/finance committee is directed to review the following documents monthly:

- Year To Date Budget vs. Actual (income or profit and loss statement);
- Monthly Income Statement;
- Statement of Financial Position/Balance Sheet;
- Bank Statements, Check Register and Electronic Withdrawal Confirmations; and
- Credit Card Statements.

**Quarterly Review.** In addition to the above, the treasurer/finance committee is directed to review the following documents quarterly:

- Payroll tax register and payments to ensure all payroll taxes have been paid.
- Investment reports on funds not needed for operations.

**Quarterly Board Review and Approval.** Each quarter the finance committee will present to the board for review and approval an income or profit and loss statement and balance sheet.

*Annotation: If the board appoints a treasurer, the board must provide for the purchase of a surety bond for the treasurer pursuant to [Sec. 76-15-315\(4\)\(a\), M.C.A.](#)*

### 7.3 TREASURER

The Board of Supervisors may delegate financial management duties and responsibilities to its presiding officer, a supervisor, an agent, or employee pursuant to [Sec. 76-15-315\(2\), M.C.A.](#), including the designation of said person as a “treasurer.”

- The board may delegate check signing authority to the district’s treasurer.
- The board may authorize the treasurer access to district accounts.
- The board treasurer is authorized to act on the board’s behalf on financial matters when action is required in advance of a meeting of the board.
- The district shall purchase a surety bond for the district’s treasurer pursuant to [Sec. 76-15-315\(4\)\(a\), M.C.A.](#)
- Duties of the treasurer include:
  - Leadership and management of the district’s finances and finance committee;
  - Providing a monthly review and written report of district finances at each regular meeting of the supervisors in accordance with [Sec. 76-15-526, M.C.A.](#); and
  - Ensuring an annual audit of or review of accounts of receipts and disbursements.

## OPERATIONS

### 8.0 ADMINISTRATIVE FUNCTIONS OF SUPERVISORS

#### 8.1 DNRC REPORTING AND RECORDS REQUIREMENTS (also see 10)

In compliance with [Sec. 76-15-315\(3\), M.C.A.](#), conservation district supervisors are required to furnish the department with copies of ordinances, rules, orders, contracts, forms, and other documents that they adopt or employ, as well as any other information concerning their activities that may be required to fulfill their duties under this chapter.

The conservation district administrator is delegated the responsibility of keeping a full and accurate record of all proceedings and of all resolutions, regulations, and orders issued or adopted, [Sec. 76-15-315\(3\)\(b\), M.C.A.](#), and for ensuring that all copies of ordinances, rules, orders, contracts, forms, minutes, and other designated documents are submitted to the DNRC D within thirty (30) days in which the document was reviewed and approved by the board. The district administrator will confirm this submission in a written report at each board meeting.

## **8.2 SURETY BONDS**

The supervisors of the conservation district will provide for the execution of surety bonds for all employees and officers who are entrusted with funds or property. Annually the treasurer/finance committee will review coverage amounts. The district administrator will be responsible for renewing surety bonds and ensuring updates to employees and officers are incorporated as needed. The district administrator will confirm renewals and updates in the district administrator's report at the board meeting following renewal, [Sec. 76-15-315 \(4\)\(a\), M.C.A.](#)

*Annotation: The board should determine coverage based on the amount of funding they manage and their assessment of risk of those with access to district funds.*

## **8.3 DELEGATION OF AUTHORITY**

The Board of Supervisors is ultimately responsible for the financial management of all conservation district activities. The board treasurer is authorized to act on the board's behalf on financial matters when action is required in advance of a meeting of the board.

The board authorizes the district administrator to manage the organization and day-to-day financial management of the conservation district within the approved annual operating budget. The district administrator is authorized to pay bills for expenses in the board approved budget, receive funds, and manage bank accounts. Programmatic or operational changes that may have an impact on the annual operating budget shall be reviewed by the treasurer/finance committee (see 7.1) and their recommendation will be reviewed and approved by the board.

The district administrator is authorized to enter into contracts for activities that have been approved by the full board as a part of the budget. The board must authorize any contracts outside of these parameters and all contracts with a financial value greater than \$1,000.

*Annotation: The Board of Supervisors may exercise delegation authority for various functions pursuant to [Sec. 76-15-315, M.C.A.](#) The \$1,000 threshold is discretionary for the board to adopt or adjust to suit the business needs of the conservation district.*

## **8.4 MEETING MINUTES**

The district administrator is charged with taking and completing meeting minutes and providing them to the full board for review, revision, and approval. Minutes are to be provided in the board meeting packet for the month following the meeting when the minutes were recorded. Accuracy of meeting minute content is confirmed by a quorum of the board at a regular meeting.

The board chair or secretary is required to sign the minutes. Meeting minutes are kept permanently and shall be submitted within 30 days for electronic storage to the county clerk



and recorder ([Sec. 76-15-324, M.C.A.](#)) and DNRC in accordance with [Sec. 76-15-315 \(3\), M.C.A.](#)). Minutes of all meetings must be available for inspection by the public ([Sec. 2-3-212, M.C.A.](#)).

At a minimum meeting minutes must include:

1. The date, time, and place of the meeting.
2. A list of the individual members of the public body, agency, or organization who were in attendance.
3. The substance of all matters proposed, discussed, and action taken.
4. At the request of any member, a record of votes by individual members for any votes taken.

Approval of meeting minutes may be included in a consent agenda (see 9.4).

[DNRC MEETING MINUTES SUBMISSION PORTAL](#)  
[MEETING MINUTE FACT SHEET](#)

*Annotation: Electronic recording of meetings is optional. If a CD undertakes to record their meetings, they must do it for all meetings and keep those recordings in storage for review by the public. They should keep in mind the expense of equipment and storage when deciding whether to record meetings.*

## **9.0 RIGHT OF PUBLIC TO KNOW AND PARTICIPATE**

### **9.1 PUBLIC PARTICIPATION**

In accordance with Montana law, the public has the right to participate in any and all matters of the conservation district. With limited exception as outlined below, members of the public are permitted and encouraged to attend all meetings of the conservation district. The conservation district allows for the submission of written or in-person public comment at all regularly scheduled meetings.

### **9.2 PUBLIC NOTICE**

Meeting dates are publicly noticed and are open to the public. Public notice is done consistently in the same manner and form for every meeting. Notice must include the specific agenda items to be discussed. Failure to comply with notice requirements may result in any decisions made being voided.

The district administrator is delegated the responsibility of documenting and implementing a procedure for consistent noticing of meetings. The district administrator will submit the procedure to the board for review and approval.

*Annotation: In Montana, public notice of meetings must be given in advance to allow the public to attend. The amount of notice required depends on the significance of the decision being made, but it should be enough to encourage public participation. It is important that how a CD provides public notice is done consistently in manner, form, and timeline for every meeting, [Sec. 2-3-203, M.C.A.](#)*

### **9.3 CLOSED/EXECUTIVE SESSIONS**

While meetings of conservation districts are open to the public, there are some exceptions when a closed or executive session of the board may be called by the chair or presiding officer. Circumstance that may allow for a closed meeting include: (a) on the advice of counsel and in

accordance with ([Sec. 2-3-203 \(3\), M.C.A.](#)); (b) to discuss or act on personnel issues including the district administrator's annual evaluation; or (c) when the presiding officer determines that the demands of individual privacy clearly exceed the merits of public disclosure. The right of individual privacy may be waived by the individual about whom the discussion pertains, and, in that event, the meeting may be closed.

It is the policy of the conservation district that only individuals invited by the board may attend a closed/executive session. The board can discuss a private issue in a closed meeting, but the vote should be taken during an open session. A board member shall take minutes of the executive session, and such minutes are confidential and shall not be made available for public inspection except pursuant to a court order.

Although a meeting may be closed, the board must still comply with public notice requirements regarding the meeting. The agenda item must indicate the time, place, and general subject matter of the meeting but indicate it is closed to the public.

In the event a meeting is closed the board shall keep minutes of the closed proceedings. Those meeting minutes must be held by the conservation district as sealed and only disseminated upon court order. Minutes are not voted on by the board.

#### **9.4 CONSENT AGENDA**

A consent agenda is a method to move through informational material quickly, thus saving board meeting time for discussion and decision making. Typical consent agendas include the following:

- Previous board minutes;
- Committee minutes; and
- A district administrator's report documenting the completion of tasks and submittal of documents as required by M.C.A. and other regulations.

All documentation for consent items must be available to meeting participants in advance.

It is the conservation district's policy to incorporate a consent agenda at the start of every board meeting. The district administrator is charged with organizing and distributing documents to be included in the consent agenda at least five days in advance of the board meeting. Board members are expected to read all the information in the consent agenda package prior to the meeting.

#### **Resources:**

#### **[HOW TO USE A CONSENT AGENDA](#)**

*Annotation: Training is exempt from open meeting laws so long as the Board of Supervisors is not taking action on any agenda item or having discussions related to specific issues they are facing. If it is the trainer giving information and the board receiving/listening to it without formal action, open meeting laws do not apply.*

#### **9.5 PUBLIC INFORMATION REQUESTS**

Conservation district records are open to the public. A person has the right to examine and obtain a copy of any public information held by the conservation district, [Sec. 2-6-1006 M.C.A.](#)

Certain personal, confidential information, such as social security numbers, banking or financial numbers, passwords, and certain personnel actions are not public information and must be protected. Employees with access to protected information must take steps to protect it from public view, such as a locked file cabinet and shredding upon disposal.

The conservation district requires the request for public information be submitted in writing. The conservation district must acknowledge receipt of a public information request in a timely manner and provide the requested information in 90 days of the CDs acknowledgement of the request. The conservation district can charge fees within reason for the costs to produce public documents (e.g. photocopying) and the personnel time that it takes to assemble the information. Fees may not exceed \$25 an hour for searching for, gathering, reviewing, processing, and providing information pursuant to [Sec. 2-6-1006 \(5\)\(a\)\(i\), MCA](#). The district administrator is responsible for outlining and documenting a procedure for public information requests to include a process for responding in a timely manner and a fee schedule.

Conservation districts with access to USDA producer files protected by federal law, will not provide information to the public without written approval from USDA.

Unauthorized access to, or unauthorized release of confidential information violates this policy.

*Annotation: The CD should adopt a policy regarding public information requests that lists the cost associated with page reproduction and staff time for responding to requests.*

## **10.0 MANGEMENT OF PUBLIC RECORDS**

### **10.1 RECORDS MANAGEMENT**

The conservation district will follow the Conservation District Records Schedule set forth in Schedule 9: [Schedule 9: CD Records Retention Schedule](#). If a project is funded by an agency with a different record retention schedule, the stricter of the two will be followed.

In accord with state regulations, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, this policy provides for the systematic review, retention, and destruction of documents received or created by the conservation district in connection with the transaction of the conservation district. This policy covers all records and documents (regardless of physical form), contains guidelines for how long certain documents should be kept, and how records should be destroyed (unless under a legal hold). The policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records, and to facilitate the conservation district's operations by promoting efficiency and freeing up valuable storage space.

### **10.2 RECORDS RETENTION**

In accordance with [Sec. 76-15-315\(4\)\(b\), M.C.A.](#), the board delegates to the district administrator the responsibility of setting up and maintaining a secure system to store and retain records of all proceedings and of all resolutions, regulations, and orders issued or adopted. The storage system may either be physical or on a secure virtual platform. If the filing system is virtual, the district administrator is responsible for documenting and safeguarding log-in information,

passwords, and other information for accessing technology and operations.

## **11.0 QUORUM (ALSO SEE 20)**

In compliance with [Sec. 76-15-313 \(b\), M.C.A.](#), a majority of the Board of Supervisors constitutes a quorum for the transaction of business at a meeting. No official business is conducted without a quorum. Each supervisor shall have one vote.

Abstentions do not count; however they are recorded in the record, and an affirmative vote from a majority of the full board is required to pass any motion. For example, a board consists of 7 members, so the quorum is 4. There are 6 members present at a meeting in which 3 vote yea, 2 votes nay, and 1 abstains. The motion fails because passage of the motion requires at least 4 affirmative votes.

*Annotations: Quorum means a majority of the Board of Supervisors in existence, not simply a majority of those present at any given meeting. If a Conservation District Board of Supervisors has seven supervisors, four must vote affirmatively to pass a motion. If a board has five supervisors, three supervisors must vote affirmatively to pass a motion.*

*In general, vacant positions do not count in determining a quorum. For instance, if a 7-member board requires 4 for a quorum, but there are 2 vacant seats due to resignations effectively making it a 5-member board, then 3 members make a quorum. The 3 members represent a majority of occupied board seats. Therefore, motions can pass with 3 affirmative votes, assuming those members are present.*

## **12.0 STANDARDS OF CONDUCT**

### **12.1 CONFLICT OF INTEREST**

Supervisors must carry out their duties for the benefit of the public, and as public officials may not use their positions to benefit personally. [Secs. 2-2-101 through 2-2-145, M.C.A.](#)

*Annotations: Supervisors should disclose conflicts of interest annually during a regular meeting and then recuse themselves from hearing, discussing, or deciding anything related to that issue. Supervisors who aspire to run for another office should review their code of ethics and conduct requirements listed in Title 2, Chapter 2, Part 1, M.C.A. Generally speaking, the supervisor would need to be very mindful if their assumption of another office might create conflicts of interest such that holding both positions is untenable. For example, there could be considerable conflict if someone were both a city councilman and a conservation district supervisor, depending on the circumstances. However, a supervisor might be able to serve as a school board trustee without much conflict. It is dependent on the specific circumstances of the supervisor and position.*

### **12.2 ETHICAL CODE OF CONDUCT**

Conservation district supervisors and employees are required to sign a Code of Conduct Agreement that outlines the standards outlined in [Sec. 2-2-104 2-2-105, M.C.A.](#) The district administrator is responsible for ensuring that agreements are reviewed and signed annually, and that they are filed with the conservation district's records.

**Resources:**

**[SAMPLE CODE OF CONDUCT](#)**

**13. REGULAR REVIEW OF INSURANCE**

Every governmental entity is subject to liability for its torts and those of its employees acting within the scope of their employment or duties whether arising out of a governmental or proprietary function except as specifically provided by the legislature under Article II, section 18, of The Constitution of the State of Montana, Section 2. Therefore, it is the policy of the conservation district to carry liability insurance and engage an independent insurance consultant to review the organization's insurance policies regularly to ensure coverage and limitations adequately meet the needs of the organization, board members, and employees.

The conservation district will purchase necessary insurance policies to insure the organization against risk. Types of insurance to be purchased may include:

1. Liability Insurance. [Sec. 2-9-101 and 2-9-1008, M.C.A.](#)
2. Special Event coverage.
3. Property (personal and property damage).
4. Surety Bond (required [Sec. 76-15-315, M.C.A.](#)).

*Annotation: Failure to obtain liability insurance puts the CD and local taxpayers at risk. A CD can be liable up to \$750,000 for each claim and \$1.5 million for each occurrence.*

**14.0 STRATEGIC/OPERATIONAL PLANNING**

The conservation district will conduct a strategic planning session every three to four years to establish organizational strategic goals.

Each year the district administrator and staff will develop an annual operational workplan that will support the accomplishment of the strategic goals that have been approved by the board in the conservation district's strategic plan.

Planning efforts will identify resources needed to accomplish the annual objectives, including expense items and staffing and/or volunteer needs. These cost estimates will be integrated into the annual budget and be approved by the board as part of the annual budgeting process.

**Resources:**

- [DIY Strategic Planning Resources](#)
- [Strategic Planning 10-Minute Training](#)
- [Strategic Planning FAQ](#)

**SUPERVISORS, ELECTIONS, AND GOVERNANCE**

**15. SUPERVISORS ROLES AND RESPONSIBILITIES**

As locally elected (or appointed) public officials, conservation district supervisors are responsible for the operation and management of the conservation district. Supervisors develop policy implemented by their district employees and have a fiduciary responsibility to ensure the

conservation district complies with the law and operates efficiently and effectively.

To provide leadership and create structures and systems for consistency and accountability, roles and responsibilities of the Board of Supervisors include ensuring:

- Legal obligations are met;
- A realistic and compelling strategic plan is in place to guide operations and programming;
- An annual operational work plan is developed and monitored regularly;
- A realistic budget is approved;
- Systems are in place for ongoing financial oversight and checks and balances;
- Personnel practices comply with state and federal laws;
- Oversight of your district administrator is consistent and goal-based;
- Approval of applications and other projects designated per regulations is timely and thoughtful; and
- Resources are sought and utilized to advocate for policy to implement Conservation District Law.

Individual responsibilities of supervisors include:

- Regular attendance at meetings;
- Make time, engage, and come prepared;
- Be informed of local natural resources and other issues that impact conservation districts and landowners and represent landowners in your area regarding those issues;
- Be open-minded and respectful;
- Understand that your board authority is only in quorum;
- Disclose any conflicts of interest;
- Be a positive ambassador for conservation in the community; and
- Volunteer and support staff appropriately.

#### **16. GOVERNING BODY OF DISTRICT AND RESIDENCY**

An elected supervisor must reside within the boundaries of the conservation district. An appointed urban supervisor may live outside the municipality he/she represents but must reside within the boundaries of the conservation district. A supervisor must reside in the area the supervisor represents if the conservation district passes an ordinance to that effect. [Secs. 76-15-301 and 76-15-311, M.C.A.](#)

#### **17. ELECTIONS**

To ensure compliance with [Secs. 76-15-301 and 76-15-311, M.C.A.](#), the conservation district must comply with Montana Code Annotated Title 13, which provides requirements for special districts regarding elections.

#### **18. OATH OF OFFICE**

As outlined in [Sec. 2-16-211, M.C.A.](#), supervisors, must, before they enter upon the duties of their respective offices, take and subscribe to an oath of office. The oath is to be taken before any officer authorized to administer oaths within 30 days of being elected and filed with the county.

The district administrator is responsible for ensuring that all supervisors have taken their oath of office before the start of their term of office. A copy of their signed oath will be filed with office of the clerk of the [insert name] county, [Sec. 7-4-101, M.C.A.](#)

**Resources:**

[OATH OF OFFICE INSTRUCTIONS](#)

[OATH OF OFFICE FILLABLE FORM](#)

**19. TERMS OF OFFICE**

**19.1 SUPERVISOR TERMS**

[76-15-312, M.C.A.](#) specifies that the regular term of office for a conservation district supervisor is four years. The filing deadline for supervisors up for reelection is in March of **even** numbered years.

Urban supervisors are reappointed and take an oath of office every three years. [Sec. 76-15-312, M.C.A.](#) and [Sec. 2-16-212, M.C.A.](#) In accordance with [Sec. 76-15-311, M.C.A.](#), the legislative bodies of the incorporated municipalities appoint their representatives after consultation with the district. If an urban supervisor leaves mid-term, the municipality fills the seat until the term expires and then that position must be re-appointed by the municipality during the next full term.

The district administrator is responsible for tracking supervisor terms in coordination with the county clerk & recorder. A tracking tool should include the elected official's name, number of full and partial terms served, the year service began and when the current term expires.

**19.2 VACANCIES**

A vacancy occurring in the office of an elected supervisor as outlined in [Sec. 76-15-312 \(2\), M.C.A.](#) must be filled by appointment by the remaining supervisors until the next election, when a successor must be elected to serve the unexpired term. The election must be conducted in accordance with [Sec. 13-1-5, M.C.A.](#) in the year following the appointment. When a vacancy occurs with an urban supervisor, the successor serves the unexpired term and then must be re-appointed for a new three-year term.

**20. MEETING ATTENDANCE**

Supervisors are expected to be able to arrange their work and personal schedules in a manner that allows them to attend all board meetings in-person or virtually.

If a conflict arises and a supervisor is unable to attend a board meeting, they must, when possible, notify the board chair as soon as possible prior to the meeting. The district administrator will add the request for an excused absence to the board agenda and a majority vote of the Board of Supervisors shall be needed to excuse a supervisor from attending a meeting.

## **21. REMOVAL OF SUPERVISOR**

Pursuant to [Sec. 76-15-314, M.C.A.](#), a supervisor may be removed by the DNRC and a vacancy created upon notice and hearing, for neglect of duty or malfeasance in office but for no other reason. Further, a supervisor may be removed from office for unexcused absences from three consecutive regular meetings, [Sec. 76-15-312, MCA.](#)

## **22. ELECTION OF PRESIDING OFFICER AND SUPERVISOR ROLES AND RESPONSIBILITIES**

### **22.1 OFFICERS OF THE BOARD**

It is the conservation district's policy to elect qualified and engaged individuals for the officer positions of chair, vice chair, treasurer, and secretary annually in January. One person may hold two or more board offices, except for the chair, but no board officer may act in more than one capacity where action of two or more officers is required. [Sec. 76-15-313\(1\), M.C.A.](#)

#### Terms and Elections

Each board officer shall serve a one-year term of office and may not serve more than five consecutive terms of office. Unless elected to fill a vacancy in an officer position, each board officer's term of office shall begin upon the adjournment of the board meeting during which a successor is elected.

#### Succession

The vice chair designated by the board shall normally accede to the office of board chair upon the completion of the board chair's term of office.

#### Officer Qualifications

Unless otherwise determined by the board, all officer candidates must have served as a board member for one full year.

#### Duties of Officers

The district administrator will ensure that officer job descriptions are annually reviewed and updated and approved by the board as modifications are made.

#### **Resources:**

#### **BOARD OFFICERS ROLES AND RESPONSIBILITIES**

### **22.2 ASSOCIATE SUPERVISORS**

Associate supervisors are non-voting supervisors elected by the Board of Supervisors. Associates serve as advisors to the board and the board can delegate responsibilities to an associate such as serving as the chair of the finance committee. The purpose of associates is to provide their expertise in specific fields, promote conservation and conservation district programming, and provide additional insight and experience. Associates may serve as supervisors in waiting or as supervisor emeritus.

Associate supervisors shall have three-year terms without renewal limitations. [Sec. 76-15-311\(6\), M.C.A.](#)

*Annotation: While associate supervisors are not required to live within the district or represent an area within a district boundary, it is recommended that they reside within district boundaries.*



## **22.3 CONSERVATION DISTRICT COMMITTEES**

The Board of Supervisors is authorized to establish both standing and special committees. Each board committee shall have membership, duties, and powers as established by the board. Standing committees perform continuing functions on behalf of the board. Special committees perform specific, limited tasks of the board.

Committees are established to review and research conservation district business. Committees have no decision-making authority. Rather, they are tasked with making recommendations to the board for consideration.

The board shall appoint all committee members and fill any vacancies. Appointments are noted in the minutes along with a notation of when their term will end.

### **General Policy – Programs, Committees, and Work Groups**

- Conservation districts are recognized as units of local government and have legal status under [Sec. 76-15-320, M.C.A.](#)
- Legal status means the ability to sue or be sued, satisfy a judgment or settlement, have a seal judicially noticed, have perpetual succession, be a party to a contract, and exercise enforcement powers under the 310 Law. [Sec. 76-15-320, M.C.A.](#)
- A conservation district may work with another conservation district or multiple conservation districts to exercise their powers and cooperate on projects or statewide programs. [Sec. 76-15-318, M.C.A.](#) However, the cooperation between districts does not create a separate legal entity. Each district should maintain its own status.
- A conservation district can create committees to discuss policy coordination and other cooperative measures with other conservation districts.
- Each committee should exercise caution to conduct open meetings in accordance with Montana law.
- For the purpose of this policy, a committee includes any advisory committee, workgroup, or state-funded program.
- A committee or statewide conservation district program funded by DNRC acts to provide recommendations to the board. Final decisions of a conservation district should not be implemented by committee but rather during a full meeting of the Board of Supervisors in accordance with [Sec. 76-15-103\(3\), M.C.A.](#) and [Sec. 76-15-311, M.C.A.](#)
- When money, whether direct taxpayer funds or grants or a direct appropriation, are to be used by a district for the purpose of administering a program, including a program pertaining to the activities of a committee, the conservation district holding the funds has the ultimate decision-making authority and is accountable for all legal requirements of the “district” as defined in [Sec. 76-15-103\(3\), M.C.A.](#)

- A conservation district that receives DNRC funding for administering a committee or statewide program is solely responsible for all legal responsibilities, required reporting, and liability related to that committee or program.
- In the same manner, meeting minutes are to be submitted to DNRC, per [Sec. 76-15-315, M.C.A.](#); minutes from any committee, workgroup, or state-funded program must be submitted.

#### **22.4 SUPERVISOR ORIENTATION**

The key to an effective board is that members have a clear understanding of organizational history, goals, responsibilities, and expectations of their position. To assure that conservation district board members have this knowledge, new board member orientation will be conducted as needed between elections and the first board meeting of the year. Onboarding is a duty of the Chair, and the district administrator will assist with organizing and conducting supervisor orientations.

#### **23. LEGAL ASSISTANCE**

The Board of Supervisors may call upon the county attorney of the county of which the largest portion of the district sits for legal services or employ its own legal counsel. The county attorney should be the first option for districts to employ. If the county attorney is unavailable, the board may also call upon the attorney general for the state or contact the DNRC for assistance. [Sec. 76-15-319, M.C.A.](#)

### **PERSONNEL MANAGEMENT**

[See Conservation District Personnel Model Policy](#)

### **310 MANAGEMENT**

[See 310 Model Rules](#)

### **CONSERVATION DISTRICT WATER RESERVATIONS**

[See Water Reservations](#)