

# **BYLAWS**

## NATIONAL COUNCIL OF STATE AGRICULTURAL FINANCE PROGRAMS

### **ARTICLE I**

#### **MEMBERSHIP**

Section 1. Eligible Organizations. The core membership of the Council shall consist of entities authorized as an instrumentality of the state to administer agricultural funding programs. Entities not considered instrumentalities of the state shall also be allowed as members however will be considered associate members. Disputes as to the eligibility of an organization for membership shall be resolved in a manner solely determined by the Board of Directors.

Section 2. Authorized Member Representatives. Each core member entity shall participate in meetings of the members or otherwise in the business of the Council by way of a natural person who is an authorized representative of said core member entity. Disputes as to who shall be recognized as the authorized representative of a member entity shall be resolved in a manner solely determined by the Board of Directors.

Section 3. Meetings. An annual meeting of the membership shall be held once during each calendar year, as determined by the Board of Directors. Additional special meetings of the membership may be called by the President or by any member of the Board of Directors. Such additional special meetings shall be held as determined by the person or persons calling the meeting.

Section 4. Notice of Meetings. Notice stating the time and place of any general meeting of the members shall be delivered no less than ten days before the date of the meeting. Special meetings of the members shall state the purpose for which the meeting is called.

Section 5. Rights and Responsibilities. The rights and responsibilities of the members shall be limited solely to the right to vote upon the election of directors and to vote upon any such other matter.

Section 6. Quorum and Voting. Members holding one-third of the votes entitled to be cast on a matter to be voted on shall constitute a quorum. Each core member entity in good standing is entitled to one vote. Associated members will not have voting rights. The act of a majority of the members present at a meeting at which a quorum is present shall be the act of the members. Presence and voting by proxy shall not be permitted.

Section 7. Good Standing and Dues. Any entity qualified for membership shall be considered a member in good standing upon the payment of all current dues assessed against it. Only members in good standing shall be eligible to enjoy or exercise the rights, privileges and responsibilities of membership. All current dues shall be due and payable on January 1 and shall be deemed delinquent if unpaid on or before April 1 of each fiscal year.

“Current dues” means the sum of the annual membership dues, the amount of which shall be determined by the Board of Directors, plus any additional dues in excess of the annual membership dues assessed

against the members by the Board of Directors which in its sole discretion it determines to be necessary to defray the cost and expenses of the activities of the Council.

Section 8. Transfer of Membership. If the authorization of a core member entity to conduct agricultural funding programs is transferred or reassigned to a successor state entity, membership in the Council shall be deemed transferred to such successor state entity.

Section 9. General Privileges of Members. Membership in the Council is a privilege not a right. While in good standing, all members shall have equal rights, interests or responsibilities with respect to the Council and its properties and shall obey and be bound by these By-Laws and all decisions and actions of the Board of Directors.

## ARTICLE II

### BOARD OF DIRECTORS

Section 1. Authority and Designation. All powers of the Council shall be exercised by or under the authority of, and the business and affairs of the Council shall be managed under the direction of, the Board of Directors.

Section 2. Qualifications for Directorship. Only those core membership organizations that are in good standing and have paid their dues on or before April 1 of the current year may be eligible to have one of its authorized representatives be elected to serve as a director.

Any director who shall cease to be the authorized representative of a member entity shall automatically be disqualified as a director and his or her position shall be deemed vacant.

Section 3. Number of Directors and Tenure. The Board of Directors shall consist of seven directors. At the 2003 annual meeting two directors shall be elected for a two year term and one director for a three year term. At the 2004 annual meeting, one director shall be elected for a two year term and two directors for a three year term. Thereafter, the elected directors shall serve for terms commencing with their election and qualification and continuing for a three year term. The directors shall be elected by a majority of the members at the annual meeting of the members at which a quorum is present.

Section 4. Vacancy. In the event of a vacancy on the Board of Directors for any reason whatsoever, the remaining directors shall have the power to do any one of the following:

- (a) Appoint a person to fill the vacancy from among the authorized representatives of the core member entities in good standing who have the qualifications to be elected a director in the first instance; any person so appointed shall hold office for the balance of the unexpired term; or
- (b) Decline to fill the vacancy and submit the election of a successor director to a vote of the members at the next special or annual meeting.

Section 5. Meetings. See Article I, Section 3 and Section 4.

Section 6. Quorum and Voting. A majority of the voting directors shall constitute a quorum for the transaction of business at a meeting of the Board of Directors. An act of the majority of the directors present at a meeting of Board of Directors at which a quorum is present shall constitute an act of the Board of Directors. Directors cannot vote or be present by proxy at meetings of the Board of Directors.

### ARTICLE III

#### COMMITTEES

Section 1. Additional Committees. The Board of Directors, may, designate such committees as they deem necessary and elect the membership thereof. All such committees shall have the duties and responsibilities, determined by the Board of Directors.

Section 2. Audit Committee. The President shall designate three members to serve on an Audit Committee to conduct an annual audit of the Council's financial information and report its findings during the annual meeting.

Section 3. Nominating Committee. The President shall appoint three members to serve on a Nominating Committee to consult with members in good standing, who most likely would have an interest to serve on the Board of Directors and possibly as an Officer, and to propose a slate of directors and officers for the members to consider electing at the annual meeting.

### ARTICLE IV

#### OFFICERS

Section 1. Officers. The officers of this Council shall consist of a President, a Vice President, a Secretary, a Treasurer elected, by core members in good standing. .

Section 2. Qualifications of Officers. No one shall be eligible to be elected President, Vice President, Secretary or Treasurer who is not a director.

Section 3. Removal of Officers. Any officer elected by the core membership may be removed by the core membership whenever in its judgment is in the best interests of the Council.

Section 4. Vacancies. A vacancy in any elective office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired portion of the term at any of its meetings.

Section 5. President. The President shall preside at all meetings. The President shall have a right to vote on all matters coming before the meeting.

Section 6. Vice President. In the absence of the President, and in the case of the President's inability to act or refusal to act, the Vice- President shall perform all the duties of the President, and when so acting shall have powers of and be subject to all the restrictions imposed upon the President. The Vice- President shall perform such other duties as are provided for in these By-laws and as may be assigned to the Vice- President by the President or by the Board of Directors.

Section 7. Secretary. The Secretary shall make and preserve complete records of all meetings of members and the Board of Directors. The Secretary shall also keep a register of each member as furnished to the Council by such member. The Secretary shall in general perform all duties incident to the office of Secretary and such other duties as are provided for in these By-laws and as may be assigned to the Secretary by the President or the Board of Directors.

Section 8. Treasurer. The Treasurer shall have charge and custody and be responsible for all assets of the Council; receive and give receipts for money due and payable to the Council from any source whatsoever, and shall deposit all such monies in the name of the Council in any such banks, trust companies or other depositories as shall be approved by the Board of Directors. The Treasurer shall disburse funds of the Council only upon written consent of the President. The Treasurer shall make a report of the financial condition of the Council at the annual meeting of the members and shall from time to time make such additional reports as may be requested by the Board of Directors. The Treasurer shall in general perform all duties incident to the office of Treasurer and such other duties as are provided for in these By-laws and as may be assigned to the Treasurer by the President or Board of Directors.

#### ARTICLE V

##### SEAL

This Council shall not have a corporate seal; provided however, that this Article shall in no way prohibit the Council from utilizing any insignia, emblem, logo, trademark, or other design for communication or identification purposes.

#### ARTICLE VI

##### FISCAL YEAR

The fiscal year of the Council shall commence on July 1 and shall close on June 30 next succeeding.

#### ARTICLE VII

##### AMENDMENTS

These by-laws may be amended, repealed, or altered in whole or in part by a majority of the –core members in good standing present at any meeting of the Council, with one vote from each core member state.