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Mountain States Mennonite Conference

Amended and Restated By-Laws

Preamble

The Mountain States Mennonite Conference is composed of Mennonite churches in the Rocky Mountain region of the United States. The vision of Mountain States Mennonite Conference is to pursue God's dreams by the power of the Holy Spirit in the way of Jesus Christ.

Mission Statement

The Mountain States Mennonite Conference exists to encourage growth in Christian spirituality and faith, collaborate on mission activities, and conduct official functions as assigned by its member congregations and parent denomination, Mennonite Church USA.

ARTICLE I

Section 1. Name and Incorporation

The name of this organization shall be Mountain States Mennonite Conference ("MSMC") and shall be incorporated as a nonprofit organization under the laws of the State of Colorado.

Section 2. Affiliation

MSMC shall be a member conference of Mennonite Church USA, Inc. ("MC USA") and subscribes to the *Confession of Faith in a Mennonite Perspective* adopted by MC USA in 2001. As a recognized regional conference of MC USA, MSMC falls under relevant legal and tax structures of MC USA.

ARTICLE II

Membership

Section 1. Membership Composition

The initial membership of MSMC shall consist of those churches in the Rocky Mountain region formerly affiliated with, and members in good standing of, the Western District Conference of the General Conference Mennonite Church and Rocky Mountain Mennonite Conference of the Mennonite Church, who wish to join MSMC at its inception. Those congregations which initially join as Covenant Members (as defined in Section 3 of this Article II) shall be recognized as charter members and will serve as the initial membership body of MSMC. Those churches which initially join as Provisional Members (as defined in Section 3 of this Article II) and decide to remain as a member within the first three (3) years of the inception of the conference will also be recognized as charter members.

Section 2. Admission to Membership

A. Congregations, joining at the inception of MSMC, shall be admitted as either Covenant Members or Provisional Members.

B. Thereafter, the Leadership Board (as defined in Article III, Section 3) shall oversee applications for admission of new churches, under procedures adopted by the delegate body of MSMC.

C. Upon completion of formal membership application by a church, a three-fourths (3/4) majority vote of the conference delegates present at a duly called meeting is required for admission.

Section 3. Membership Classification

A. “Covenant Member” status entitles congregations to full voting privileges, rights to full counsel in various discernment processes, and representation on various boards and committees.

B. “Provisional Member” status allows congregations to participate in conference activities to discern whether they want to become a Covenant Member of MSMC. The option of being a Provisional Member will only be extended to congregations expressing interest in membership at the time of the inception of the conference and will be limited to a period of three (3) years. Provisional Members will have all of the rights of Covenant Member churches.

C. “Associate Member” status indicates that a congregation does not have voting privileges in delegate sessions, but will maintain representation in conference discernment processes and may be represented on conference boards and committees. Associate Member congregations may regain Covenant Member status through the discernment process outlined in Section 4. B.

D. “Non-member” status indicates that a member congregation has withdrawn from the conference or has lost all rights to formal participation and membership in the MSMC by official action of the delegate body.

Section 4. Process of Membership Withdrawal or Change of Status

A. A congregation’s membership status in MSMC may be changed after due deliberation, by a consensus process of decision-making. The consensus process is defined as:

1. An initial recommendation by the Leadership Board to the conference delegate body, after reasonable notice in writing to the member congregation regarding the recommendation and reasons therefore.

2. Dialogue among delegates and affected congregational members to share views and ideas regarding the recommendation.

3. Polling the delegates to assess response to the recommendation or any amendments thereto from the delegate body, with delegates responding in the following manner:

- a. Agree with the recommendation
- b. Agree with the recommendation with reservations
- c. Disagree, but will acquiesce to the recommendation
- d. Disagree

4. The assembly may choose to resume discussion following polling or may end discussion and make a decision any time ninety percent (90%) of the delegates choose options a, b, or c outlined in Section 4. A. 3. Responsibility for ending discussion ultimately resides with the Leadership Board as expressed through its Moderator.

5. If the Leadership Board disagrees about ending delegate discussion, the Leadership Board will adjourn to closed session and follow the consensus process outlined in Section 4. A. 3. until agreement is reached. Responsibility for ending discussion in the Leadership Board resides with the Moderator.

B. If a Covenant Member congregation fails to be represented at two consecutive conference-wide meetings (annual Faith and Life Forums and annual delegate assemblies), the following steps will be taken:

1. A representative from the conference, designated by the Leadership Board, will initiate a dialogue of discernment regarding the congregation's interest in continued conference participation.
2. A report will be made to the Leadership Board which will then determine whether further dialogue with the affected congregation is needed or whether a recommendation needs to be made to the delegates at the next regular MSMC assembly.
3. Should a recommendation regarding the membership status of the affected congregation be necessary, the Leadership Board will be responsible to draft such a recommendation, in accordance with the procedures outlined in 4.A.1.

C. A congregation may request withdrawal from membership in MSMC at any time by a letter to the Leadership Board indicating its reasons. The Leadership Board may initiate a dialogue of discernment similar to that set out in 4.B.1 and 2 above, if such a process has not already been undertaken. If the member congregation still chooses to withdraw, their withdrawal will be reported to the member congregations in a timely fashion and formally accepted at the succeeding annual assembly of the delegate body.

ARTICLE III **Conference Organization**

Section 1. Conference Assemblies and Delegates

A. The final authority of MSMC shall be vested in the conference delegate body. MSMC shall establish at least one (1) duly called annual meeting, at a time, date and location set by the Leadership Board. The Moderator shall lead the delegate sessions of the conference delegate body.

B. The conference delegate body reserves for itself the right of final responsibility in all matters of policy, appointments, finances, or other matters relating to the function and conduct of MSMC, except as delegated between assemblies to its Boards and Committees.

C. Delegate meetings shall be considered "duly called" when:

1. They are announced by the Leadership Board at least one (1) month in advance of the meeting, by mail or electronic media to the member congregations.
2. The agenda as approved by the Leadership Board is distributed at least two (2) weeks prior to the date of the meeting, by mail or electronic media to the member congregations.
3. A supportive prayer network coterminous with the delegate session has been established in advance of the meeting by the Leadership Board.

D. Composition and Voting Privileges

1. Member congregations shall appoint delegates to annual MSMC assemblies based on the following formula:
 - a. All ordained and licensed persons involved in active congregational ministry within member congregations shall be delegates.

b. In addition, one delegate shall be appointed for every fifty (50) congregational members or portion thereof.

c. Designation of each member congregation's delegates will be done in a manner specified by the Leadership Board.

2. Voting by proxy is not allowed. However, delegate action may be taken by written process, without a meeting, as provided by the Colorado nonprofit law. The delegates appointed for the last MSMC assembly will be considered the delegates unless separately appointed by the member congregation.

E. Quorum

A quorum shall consist of those delegates present for any duly called meeting. A majority vote (50 percent, plus one) is needed to approve any action unless a different vote is specified by these Amended and Restated Bylaws.

Section 2. Faith and Life Forum

A. Purpose

Foundational to our polity of relational accountability, member congregations of MSMC shall participate in regular meetings for discernment of faith and life issues. The purpose of this body is not to make binding decisions, but to discern issues important to our faith and life in our home communities, the Rocky Mountain region, and throughout the world.

B. Composition

1. All ordained and/or licensed persons involved in active ministry shall be invited to attend.
2. Up to two (2) additional persons shall be appointed by each member congregation to represent the concerns of the congregation relative to the agenda of a particular Faith and Life Forum.
3. Representatives from various ministry groups within the conference may be invited by the Leadership Board to attend.
4. Guests and resource people may be invited by the Leadership Board to enhance the discernment and discussion of a particular Faith and Life Forum topic.
5. Non-participating observers from within or outside the membership of the conference will also be welcome.
6. A supportive network of prayer, coordinated by the Prayer Network Coordinator, shall function coterminously with the Faith and Life Forum.

C. Function and Frequency of Meeting

1. The Leadership Board shall appoint a moderator for each Faith and Life Forum skilled in the function of “worshipful work” and the disciplines of corporate spiritual discernment.
2. A primary value shall be the active participation of all representatives present.

3. While no decisions that are binding upon the delegate body shall be made at Faith and Life Forums, statements may be issued for counsel or study by congregations and conference leadership.

4. The Leadership Board shall establish a minimum of one (1) annual Faith and Life Forum. Additional forums may be called by the Leadership Board provided that one (1) month's notice of the meeting date is given to member congregations.

5. Costs for attendance at Faith and Life Forums shall be shared as equitably as possible among all participants.

Section 3. Leadership Board

A. Purpose

Between sessions of the MSMC delegate body, a leadership board ("Leadership Board") shall function on behalf of the member congregations and their delegates in matters of establishing policy, legal decisions, Conference Minister oversight, and all other matters necessary and convenient to conference affairs, within the parameters established by these By-Laws and except as exclusively reserved to the delegates. The "Leadership Board" shall constitute the Board of Directors, as this term is defined in the Colorado Revised Nonprofit Corporation Act, as necessary.

B. Composition

1. Five to seven members drawn from covenant member congregations of the MSMC. Current leadership board shall nominate individuals who shall be approved by the delegate body.

2. Leadership Board shall nominate one individual as moderator-elect who is approved by the delegate body. This individual shall succeed the moderator after one year to serve two years as moderator. The moderator can serve a second consecutive two-year term as moderator. A moderator may serve a maximum of four years consecutively as moderator. After completing up to four years as moderator, the moderator must take off one year before being eligible to serve two more two-year terms on the board.

3. Leadership Board members, except as designated in Section 3.B.(2), shall serve a two (2) year term renewable for a second consecutive two (2) year term, by approval of the delegate body for that appointment. Board members may serve a maximum of four years. After completing up to four years on the board, the board member must take off one year before being eligible to serve two more two-year terms.

4. The Leadership Board shall appoint and approve persons to complete unexpired terms. Persons filling unexpired terms may be re-appointed by the delegate body for that appointment, for up to two additional consecutive terms.

5. Conference staff shall participate in Leadership Board meetings as required by the agenda and requested by the Leadership Board. Conference staff shall not be voting members of the Leadership Board.

6. The Leadership Board shall elect a member of the Leadership Board to serve as Secretary to maintain required minutes and records of the Conference.

C. Function and Frequency of Meeting

1. The Leadership Board shall:
 - a. Be accountable to the conference delegate body for its actions.
 - b. Use a policy governance model.
 - c. Insure that the decisions of the delegates are carried out between conference sessions.
 - d. In conversation with the member congregations, articulate and promote a relevant vision for the conference.
 - e. Approve the agenda for conference delegate assemblies.

2. The Leadership Board shall physically meet in a common location no less than once (1) per year and ordinarily no more than three (3) times per year. The Board may also conduct meetings by teleconference and take actions using electronic media without a meeting, by written consent, as permitted by law.

3. When MSMC representation on the board of another organization, or some other formal representation, is invited by that organization and desired by MSMC, the Leadership Board will make the appropriate appointments and facilitate necessary reporting.

4. Quorum: A majority of current Leadership Board members shall constitute a quorum.

D. Leadership Board Chair

1. The Moderator-Elect shall succeed the Moderator as outlined in Section 3.B. (2).

2. The Moderator shall serve as Chairperson of the Leadership Board and shall lead the Delegate sessions of the MSMC delegate body as described in Article III.1.A

Section 4. Conference Staff

Staff shall consist of both volunteer and salaried positions. Generally, expenses incurred in the exercise of these staff roles will be reimbursed by the conference regardless of whether the staff member is salaried or a volunteer.

A. Conference Minister

1. A conference minister (“Conference Minister”) shall be appointed by the delegate body of MSMC upon recommendation by the Leadership Board.

2. The Conference Minister shall be accountable to the Leadership Board and be a salaried position.

3. The Leadership Board shall establish and maintain a relevant job description for the Conference Minister that reflects the vision and values of the conference while maintaining a reasonable workload.

4. The Leadership Board shall establish a Ministerial Council to support the work of the Conference Minister and assist him/her in matters related to the transition, support, and credentialing of pastoral leaders.

5. The Leadership Board shall approve a Covenant of Understanding with the Conference Minister that outlines such matters as (but not limited to): periodic reviews, basis for remuneration including benefits, sabbatical policy, and a termination policy.

6. The Conference Minister shall meet annually with the Moderator and Treasurer to negotiate salary and benefits for the succeeding year, subject to final approval by the Leadership Board.

B. Conference Administrator

1. The Conference Administrator shall be appointed by the Conference Minister and confirmed by the Leadership Board.

2. The Conference Administrator shall be accountable to the Leadership Board through the Conference Minister.

3. The Conference Minister shall establish, with the approval of the Leadership Board, a job description for the Conference Administrator.

C. Prayer Network Coordinator

1. A prayer network coordinator (“Prayer Network Coordinator”) shall be appointed by the Leadership Board.

2. The Prayer Network Coordinator shall be accountable to the Conference Minister and is a volunteer position.

3. The Conference Minister shall establish, with the approval of the Leadership Board, a job description for the Prayer Network Coordinator.

D. Treasurer

1. The Treasurer shall be recommended by the Conference Minister and confirmed by the Leadership Board.

2. The Treasurer shall be accountable to the Leadership Board through the Conference Minister.

3. The Conference Minister shall establish, with the approval of the Leadership Board, a job description for the Treasurer.

5. The Leadership Board shall establish a stewardship council (“Stewardship Council”) of no less than four (4) persons to support the work of the Treasurer and counsel him/her in matters related to finances and the physical assets of the conference.

6. The Treasurer and Stewardship Council shall serve as trustees of Rocky Mountain Mennonite Foundation and any successor foundations created by MSMC.

Section 5. Ministry Groups

A. Foundational Ministries

1. Foundational ministry groups (“Foundational Ministry Groups”) shall be established by the conference from time to time, as needed to carry out functions mandated by the member congregations of the conference or by denominational policy.

2. Current Foundational Ministry Groups are: Stewardship Council and Ministerial Council.

B. Passion Ministries

Ministries or activities may emerge from the individual passion and initiative of persons in Member Churches. Such passion ministries may be recognized by the Leadership Board as conference activities or ministries based on procedures and criterion established by the Leadership Board or, in the case of long-

term ministries, by delegate action based on recommendation by the Leadership Board or a Faith and Life Forum.

ARTICLE IV **Mennonite Church USA Delegates**

MSMC shall appoint one (1) person for every one thousand (1,000) members or fraction thereof to serve as its delegate[s] to the biennial assemblies or other called delegate sessions of Mennonite Church USA, or such other number as provided by the Bylaws of Mennonite Church USA.

ARTICLE V **Fiscal Matters**

Section 1: Fiscal Year

The conference fiscal year shall be January 1 through December 31st of each calendar year. The Treasurer, in consultation with the Conference Minister, shall prepare an annual Spending and Contribution Plan for consideration by the Leadership Board and, upon recommendation of the Leadership Board, approval by the Delegate Body.

Section 2: Conveyances

All deeds, bills of sale, mortgages, deeds of trust and all instruments intended to convey or encumber any property of this corporation shall be signed and acknowledged on behalf of this corporation by the Treasurer and the conference Moderator. No real estate shall be conveyed or encumbered without the following occurrence: (1) unanimous approval is given by the Stewardship Council, (2) there is a three-fourths (3/4) approval of the Leadership Board, and (3) such action is reported at the next regularly scheduled meeting of the delegate body. The Leadership Board may seek at any time a vote of approval from the delegate body on matters of conveyance provided that at least one (1) month's written or e-mail notice is given to the member churches. For passage, two-thirds (2/3) of the eligible delegates must approve of any action regarding conveyance.

Section 3: Financial Review

At the end of each fiscal year, the Leadership Board shall have the option to appoint a fiscal review committee consisting of one or two members other than the conference Treasurer. The committee shall review the conference books, records and financial statements as prepared by the Treasurer, and report its findings to the conference delegate body at the next annual meeting. The Leadership Board shall also have the option of requesting, at any time, an audit by an independent auditing firm.

ARTICLE VI **Dissolution**

Upon the dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose – in this case, the assets of Mountain States Mennonite Conference will be distributed to another organization organized and operated for a similar exempt purpose. If no such organization exists, the assets shall be distributed to Mennonite Church USA; the nonprofit parent organization of which Mountain States Mennonite Conference is a member. Any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE VII **Amendments**

These Amended and Restated By-Laws may be amended by a two-thirds (2/3) majority vote of the conference delegate body present at any duly called meeting, upon one (1) month's notice of the proposed amendments by mail or electronic media.

ARTICLE VIII **Corporate Responsibility**

Section 1. Corporate Activities

MSMC will not participate in “activities in question” as determined by the Internal Revenue Service, specifically:

- Providing housing through a partnership, joint venture or similar arrangement with any entity that is not described in IRC 501(c)(3) or 501(c)(4);
- Functioning as a title-holding organization described in IRC 501(c)(2) or 501(c)(25);
- Participating in gaming as its primary activity;
- Credit counseling as a primary function;
- Operating donor advised funds;
- Operating a charter school;
- Functioning primarily for the benefit of fundraisers;
- Being involved in down-payment assistance;
- Functioning as a private foundation;
- Being organized and operated in a foreign country.

Section 2. Conflicts of Interest Policy

A. Purpose

The purpose of the conflict of interest policy is to protect MSMC's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or member of the Leadership Board of MSMC or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

B. Definitions

1. Interested Person: Any member of the Leadership Board, principal, officer, or member of a committee with delegated powers from the Leadership Board, who has a direct or indirect financial interest, as defined below, is an interested person.
2. Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which MSMC has a transaction or arrangement;
 - b. A compensation arrangement with MSMC or with any entity or individual with which MSMC has a transaction or arrangement; or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which MSMC is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under this Section B, a person who has a financial interest may have a conflict of interest only if the appropriate Leadership Board or committee decides that a conflict of interest exists.

C. Procedures

1. Duty to Disclose: In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Leadership Board and members of committees with delegated powers from the Leadership Board considering the proposed transaction or arrangement.
2. Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the interest person, he/she shall leave the Leadership Board or committee meeting while the determination of a conflict of interest is disclosed and voted upon. The remaining members of the Leadership Board or committee members shall decide if a conflict of interest exists.
3. Procedure for Addressing the Conflict of Interest:
 - a. An interested person may make a presentation at a Leadership Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - b. The Moderator of the Leadership Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - c. After exercising due diligence, the Leadership Board or committee shall determine whether MSMC can obtain with reasonable efforts a more advantageous transaction

or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Leadership Board or committee shall determine by a majority vote of the disinterested members of the Leadership Board whether the transaction or arrangement is in MSMC's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy:

a. If the Leadership Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclosure.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Leadership Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

D. Records of Proceedings: The minutes of the Leadership Board and all committees with delegated powers from the Leadership Board shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Leadership Board's or committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

E. Compensation:

1. A voting member of the Leadership Board who receives compensation, directly or indirectly, from MSMC for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from MSMC for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the Leadership Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from MSMC,

either individually or collectively, is prohibited from providing information to any committee regarding compensation.

F. Annual Statements: Each member of the Leadership Board, principal, officer and member of a committee with delegated powers from the Leadership Board shall annually sign a statement which affirms such person:

1. Has received a copy of the conflicts of interest policy;
2. Has read and understands the policy;
3. Has agreed to comply with the policy; and
4. Understands that MSMC is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

G. Periodic Reviews: To ensure that MSMC operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
2. Whether partnerships, joint ventures, and arrangements with management organizations conform to MSMC's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

H. Use of Outside Experts: When conducting the periodic reviews as provided for in Section G above, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Leadership Board of its responsibility for ensuring periodic reviews are conducted.

I, Harlan Unrau, as Secretary of Mountain States Mennonite Conference, hereby certify that the foregoing Amended and Restated Bylaws were adopted by the Leadership Board and by a two-thirds (2/3) majority vote of the MSMC delegate body effective as of _____, 2011.

Harlan Unrau, Secretary