

Standards and Practices



Land Trust Standards and Practices 2017

Highlights of What's New and What to Expect

The 2017 revisions to *Land Trust Standards and Practices* (the Standards) brought about some changes. Here's a brief summary of what's new, what to expect and where to find more information.

What's New

A NEW, INTERACTIVE FRAMEWORK FOR EASY ACCESS

- Each wordy practice in the 2004 Standards – many of which consisted of more than one sentence or concept – was broken down into practice “elements” for clarity.
- We reorganized the elements, eliminated the redundancies and focused on those practices that apply broadly to the land trust community.
- Those practice elements that lead to accreditation and/or are TerraFirma eligibility requirements are clearly identified.
- Designed as an online resource, the practices will link directly to Alliance and Commission material, including background narratives, sample documents and policies and accreditation requirements. Visit www.lta.org/adoption.

STANDARD 1 – ETHICS, MISSION AND COMMUNITY ENGAGEMENT

- **Practice 1A. Ethics** now asks land trusts to adopt a written code of ethics and/or values statement and a whistleblower policy, and affirms that land trusts should not participate in transactions that are potentially fraudulent or abusive.
- **Practice 1C. Community Engagement** contains four new elements that reflect the importance of (1) developing an inclusive and welcoming organizational culture, (2) fostering opportunities to connect people with the land, (3) developing an understanding of the land trust’s community to facilitate authentic communications and engagement and (4) building relationships with community leaders.

STANDARD 2 – COMPLIANCE WITH LAWS

- **Practice 2C. Federal Tax Exemption** clarifies that a land trust must complete and file a Form 990 (or its equivalent) on an annual basis.

STANDARD 3 – BOARD ACCOUNTABILITY

- **Practice 3A. Board Responsibility** strengthens the board’s duty to provide oversight of the land trust’s finances and operations by, among other things, working to ensure that sufficient financial resources are available and reviewing the financial audit.
- **Practice 3B. Board Composition and Structure** follows the Independent Sector’s recommendations of having a board substantially composed of independent members, ensuring the board’s presiding officer and treasurer are not the same individual and clarifying that no staff member should serve as the board’s president officer or treasurer.

STANDARD 4 – CONFLICTS OF INTEREST

- **Practice 4B. Payments to Board Members** clarifies what land trusts need to do in the limited circumstances when they compensate a board member for professional services and prohibits land trusts from providing loans to directors, officers or trustees.

STANDARD 5 – FUNDRAISING

- **Practice 5B. Accountability to Donors** adds a requirement for a written policy or procedure to ensure land trusts honor donor privacy concerns.
- **Practice 5C. Fundraising Plan** asks land trusts to develop and implement a fundraising plan or program.

STANDARD 6 – FINANCIAL OVERSIGHT

- **Practice 6A. Fiscal Health** includes three new elements asking land trusts to (1) address deficit-spending trends, (2) assess revenues and diversify funding sources and (3) build and maintain operating reserves.

STANDARD 7 – HUMAN RESOURCES

- **Practice 7D. Transition Planning** requires land trusts to develop a process or plan to provide for continuity in the leadership and management of the land trust's functions.

STANDARD 9 – ENSURING SOUND TRANSACTIONS

- **Practice 9C. Environmental Due Diligence** clarifies that a land trust should conduct or obtain a preliminary environment investigation for every land and conservation easement transaction.
- **Practice 9F. Title Investigation and Recording** makes clear that a land trust should use a title company or attorney to investigate title and that the title should be updated at or just prior to closing.

STANDARD 10 – TAX BENEFITS AND APPRAISALS

- **Practice 10C. Avoiding Fraudulent or Abusive Transactions** explicitly asks land trusts to discuss substantial concerns about the appraisal, the appraised value or other terms of the transaction with legal counsel and take appropriate action. It also requires land trusts to use a high level of due diligence in evaluating projects with pass-through entities of unrelated parties and to decline to participate in certain of these transactions.

STANDARD 11 – CONSERVATION EASEMENT STEWARDSHIP

- **Practice 11B. Baseline Documentation Report** adds a new element that clarifies how land trusts should document significant changes to the land or the conservation easement.
- **Practice 11C. Conservation Easement Monitoring** now requires a written policy or procedure for monitoring conservation easements.
- **Practice 11F. Approvals and Permitted Rights** asks land trusts to establish written procedures to guide their decision-making if using discretionary approvals.
- **Practice 11H. Amendments** ensures that land trusts take appropriate action if they use an amendment to adjust easement boundaries that results in a *de minimis* extinguishment.

STANDARD 12 – FEE LAND STEWARDSHIP

- **Practice 12B. Land Management and Stewardship** adds an evaluation of public access opportunities for each land management plan, asks land trusts to manage their properties in accordance with the management plan and to maintain all properties in a manner that retains the land trusts public credibility and minimizes risk.

What's Next

IMPLEMENTING THE REVISED STANDARDS

- Over the next several months, we will be revising our current materials, including the Standards and Practices Curriculum, to reflect the revised Standards. Check the Alliance website at www.lta.org/sp and the Learning Center (<http://tlc.lta.org>) for frequent updates. Much of the current information and materials is still relevant!
- Each member of the Land Trust Alliance must adopt the Standards as guiding principles for its operations, pledging a commitment to uphold the public confidence and the credibility of the land trust community as a whole. Board adoption located at www.lta.org/adoption.

THE REVISED STANDARDS AND ACCREDITATION

- The land trust accreditation program will fully integrate the 2017 Standards by 2019. In general, the core indicators are the same. However, low risk or redundant indicators were removed, and some additional indicators in areas of high risk have been added. In fall 2017 a draft *Requirements Manual* based on the 2017 Standards will be released for public comment. For more information about how the 2017 standards are informing changes to the accreditation program, visit www.landtrustaccreditation.org/standards-revision.